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China Report

RED FLAG

No. 14, 16 July 1985



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CHINA REPORT
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Translation of the semimonthly theoretical journal of the Central Committee of the Communist Party of China published in Beijing.

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MAKE EVERY EFFORT TO GUIDE AND PROTECT THE YOUTH'S HEALTHY GROWTH

Beijing RED FLAG in Chinese No 14, 16 Jul 85 p 2

["Forum"]

[Text] It is the starting point in our youth work to foster and educate the youth to become a new generation of communists who have ideals, morality, education, and discipline. It is also the only criterion for checking on our youth work. We should carry out education on ideals and discipline in the light of the party's central task and the youth's characteristics. We should try to arouse the youth's patriotic enthusiasm, help them foster the lofty communist ideal, and bravely take on the heavy responsibilities entrusted by history. We should educate the youth to combine lofty ideals with a practical spirit, to study hard, work hard and make more contributions to the cause of making our country prosperous and powerful and enabling our people to become rich. We should also guide the youth to take the lead in stressing democracy, the law, and discipline and in becoming the models of observing the sequence of study and work and the social order.

At present, an important question in guiding and educating the youth is that we should create a good spiritual environment for the youth, prevent and resist the corrosive influences of the decadent capitalist and feudalist ideologies, and protect the healthy growth of the younger generation.

When young, people can easily learn more. The broad masses of youth urgently need and can easily learn the various kinds of scientific, artistic, and social knowledge. We should show concern for the healthy growth of the youth, try in every way to provide them with rich and good spiritual food, and should not stuff them with various kinds of obscene knowledge to waste their precious time and fill their minds with useless rubbish. At present, a minority of irresponsible newspapers and publications and some writers who have lost their bearings are keen on publicizing various useless and even harmful things in order to seek personal gain or fulfill some other purposes. This has run counter to strengthening the construction of socialist spiritual civilization, guiding the youth's healthy growth, and educating the youth.

After labor, work, and study, young people need a cultural and recreational life. We should actively guide and organize them to carry out the various recreational activities which are beneficial to body and mind and to

fostering morality and good values. Now in some areas, some people are trying to make use of these needs of the youth to harm the young people with some obscene, murder, and ghost video cassettes and films. This situation is unbearable and we must take strong measures to check this evil wind which is harmful to the youth.

One's youth is the key period in the formation of one's world outlook and outlook on life and people need guidance in this period. We should help the youth to discern and resist wrong ideologies. We must resolutely stop and straighten out some opinions in the ideological field which are very harmful to the soul of the youth, such as opinions which cast doubt on basic Marxist principles and publicize the worship of money and advocate "seeking money in everything."

We often talk about letting the youth face the world and brave the storm because we believe that the youth can educate themselves. Although this is right, it does not mean that we can shirk our duty to educate and protect the youth. If we shirk our duty to educate and protect the youth, decadent ideology will have a chance to influence the youth so that not only the youth's growth will be hindered but also the general mood of society will be poisoned.

To foster and educate the younger generation is not only the task of the CYL organizations, but of party, trade union, and women's association organizations at various levels, the various social organizations, all schools, army units, enterprises, residential districts, and families should contribute to the youth's healthy growth. All party cadres, league cadres, and all comrades who are presently doing youth work should go deep among the youth, carry out investigations and research, try to understand the youth, grasp their ideologies and characteristics, and make friends with them. The older generation of people of various social circles should also make friends with the young people. We should advocate "friendship between generations" so as to exchange information, feelings, and ideas between two or three generations. We must try to make our youth work vivid, vigorous, and solid. Only vivid and vigorous youth work can attract the youth and only solid youth work can produce good results.

CSO: 4004/32

ALWAYS PAY ATTENTION TO IMPROVING PARTY STYLE

Beijing RED FLAG in Chinese No 14, 16 Jul 85 pp 3-4

[Commentator]

[Text] At the recently held national conference on exchanging work experiences in rectifying party style, Comrade Chen Yun emphatically pointed out: While conducting construction of socialist material civilization, it is imperative to simultaneously conduct construction of socialist spiritual civilization, and the key to the latter is the improvement of the party style of the party in power. He wants us to give constant attention to this issue. However, some localities and departments have neglected building spiritual civilization and grasping party style; while one-sided and erroneous views still exist among some comrades. This should be solved in earnest.

Some comrades have set rectifying party style against reform, holding that they have no time to care for party style if reform is to be carried out; and that grasping party style will be restrictive, and will fetter reform. Some of them even say: "If the economy is to grow, there must be relaxation of party style"; and "Prosperity comes only when party style goes awry." Such views are wrong. The Central Committee has long pointed out: Without a good party style, it is impossible to do a good job in reform. Our reform is socialist reform of the economic structure. And our economic construction which is under way is socialist economic construction. Only when party style is improved will it be possible to ensure that reform and economic construction advance on the correct track, and possible to make reform favorable to the development of socialist economy and the prosperity of the state and people. With the party style gone awry, and party members, in particular those party members in leading posts, going in for crooked ways, and abusing their power, reform will be injured and sabotaged, and the economy will be upset. Has not the harm done by the new unhealthy tendencies precisely proved this?

When we say we should "make the economy grow," we mean doing it according to party principles and policies and socialist principles. Some units have availed themselves of loopholes in party style, have resorted to deception, speculation and profiteering, and illegal operation in making huge profits; and where is there any socialist orientation to speak of in their doings?

Moreover, showing little care for the general situation and the general interests of the state and people will not help in making the economy grow. So-called "prosperity coming only when party style goes awry" is out of the question as regards the whole country. If such a situation should have appeared in some localities, this is because some people have fattened themselves and some small groups by injuring the interests of the state and people. The more "fortunes" they have made, the greater losses the people have suffered. Only when party style is rectified will it be possible to ensure the prosperity of the whole country.

Reform necessarily involves relaxation of policies. The relaxation we have in mind is reforming irrational systems, bringing into play the initiative of the masses in building socialism, and developing socialist productive forces. By no means are we to relax regarding those things motivated by the profit-before-everything mentality, looking forward to money in everything, and ultraindividualism, which lead to violation of the law and discipline and the abuse of power. By no means are we to relax concerning or to give up grasping party spirit. Obviously, grasping party spirit will restrict not reform, but crooked ways. Only when party style is improved, and when party members play an exemplary role in handling affairs according to party principles and policies will it be possible to ensure the smooth progress of reform.

The accomplishment of reform will promote the improvement of party style. The unhealthy tendencies in party style have ideological causes, as well as causes in the structure and system. The reform of all kinds of malpractices in the structure is itself a powerful measure to overcome the abuse of power and bureaucratism. The more the reform is conducted in depth, the more complete and perfect the policies and regulations are, the more favorable it is to putting a stop to and correcting unhealthy tendencies.

"When the economy grows, party style will naturally be improved." This saying is also wrong. We must concentrate our forces on grasping well economic construction; and the growth of the economy will in turn create favorable material conditions for improving party style. But this does not mean that party style will naturally be improved. Under the same economic conditions, why are some people engaged in unhealthy tendencies, some are not, while others are fighting against them? To communists, the question is whether they are strong in party spirit, whether they have a high consciousness of communism, and whether they can resist the corrosive influence of bourgeois ideology. The important thing is to conduct education in party spirit among party members, to upgrade their qualities, to be strict regarding party organizational life, and to unfold criticism and self-criticism. At the same time, it is imperative to strengthen discipline and to adopt necessary organizational measures in order to improve party style. All this can by no means be replaced by developing the economy.

Some comrades know the importance of party style; however, they lack confidence in improving it, and they are not so active in grasping the work of rectifying party style. This is a passive attitude. We should have an overall understanding of the actual conditions of party style. Party style

has markedly changed for the better since the 12th CPC National Congress, with the joint efforts of all comrades in the party and the wide-ranging party rectification campaign. We should not waver in, or change, this basic appraisal because of the emergence of new unhealthy tendencies. We should see that serious problems do exist in party style. However, we should by no means lose our confidence in improving it, and relax the correction of the new unhealthy tendencies. The improvement of party style will not come with our "sit-and-wait" attitude.

Things always make progress through the movement of contradictions. It is the same with party style. When old problems are solved, new ones will emerge. It is not at all strange for problems to crop up, neither is it terrible. The key lies in our correct attitude; and we must solve these problems seriously and earnestly. We must have courage, even with our knowledge of the difficulties ahead, and grasp the improvement of party style with an active attitude. In this way, we will certainly overcome new unhealthy tendencies and promote the further improvement of party style.

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ONE AIM, TWO ROLES

Beijing RED FLAG in Chinese No 14, 16 Jul 85 p 4

["Excerpts" from article from SHIJIAN [PRACTICE] [1395 6432], No 2, 1985]

[Text] Those comrades who engage in leadership work all have one aim and two roles. The one aim is to serve the people wholeheartedly, while the two roles are those of leader and of comrade.

Our party has as its sole aim serving the people wholeheartedly, while our current central task is economic construction. In order to open up new prospects in economic construction, we must do well in reform. In order to do well in construction and do well in reform what is required, in a word, is "service." In order to serve well, leading comrades at all levels must be brave in standing at the forefront of reform, in organizing carefully, and in leading positively, continually developing, and continually advancing. If the reforms are carried out well and economic construction pushes forward then we can say that we have accomplished our task and we will have provided the party and the people with an outstanding contribution in fulfilling the party's aim in the new period.

Leadership can be said to be division of work in terms of responsibilities, while the relationship between the leaders and the led should be one of comradeship. Why must we comrades who engage in leadership work play these two roles? In the final analysis, it has been determined by our party's aim of serving the people. Because we serve the people, regardless of whether we are in high or low positions, we are all servants of the people. Leaders in higher positions and those with wider skills are not all-knowing and do not understand everything. Thus, we propose that comrades who engage in leadership work should regularly go out among the masses and engage often in the practice of reform. By centralizing the wisdom and experiences of the masses, the leadership will be more correct and will have greater strength. The relationship between the leaders and the led is one of mutual respect, mutual learning from one another, making allowances for one another, and of working together with one heart. Whether or not a relationship like this can be established depends on whether our leading cadres are able to do well in unifying their two roles as leaders and comrades.

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EVERYBODY MUST KEEP IN MIND THE ASPIRATION OF INVIGORATING THE NATION--AN
INTERVIEW WITH COMRADE WANG ZHEN

Beijing RED FLAG in Chinese No 14, 16 Jul 85 pp 5-6, 7

[Article by staff reporters Yang Fengchun and Zhu Liqun]

[Text] One summer afternoon, while cicadas were chirping shrilly here and there, we paid a visit to Comrade Wang Zhen. We asked him to air his views on the education in ideals currently under way and on how to achieve good results in this education. Although our revered Comrade Wang is advanced in years, he is hale and hearty and studies diligently. When we entered his quiet study, our revered Comrade Wang was concentrating on a threadbare book. When Comrade Tang Yu, his secretary, explained to him what we had come for, he stood up and cordially shook hands with us. Subsequently, he talked with us for a long time on the problem of everyone having the aspiration of invigorating the nation.

The Chinese nation has lofty aspirations and strong capabilities, and it is well known for being diligent and brave, Comrade Wang Zhen said. We are now faced with two things: One is "quadrupling" the gross annual industrial and agricultural output value by the end of this century, and the other is bringing China's economy close to the level of economically developed countries within 30 to 50 years. This aspiration should become the ideal of the entire nation. Persons in the industrial, agricultural, and commercial fields, persons engaged in teaching, persons doing party and government work, and persons carrying out literary and artistic creation should not forget these two targets and should cater to these two targets. He said: We should build socialist spiritual civilization along with the building of material civilization. Not only should writers, poets, film producers and opera performers take into account the social effects of their work, but state cadres should also consider the social effects of everything they do. We should be responsible to the country and the people in everything we do. We should use our work to stimulate the people's desire to invigorate the nation. Ours is a socialist country. The four basic principles Comrade Deng Xiaoping referred to are major principles we should adhere to in our work and should not be abandoned in the four modernizations. The revolutionary spirit of "fearing neither hardship nor death" should not be discarded either. Without these, socialist modernization will come to nothing. Our revered Comrade Wang said: Socialist modernization is a matter that concerns several generations. Like

our teachers, our state cadres, writers, and artists have the responsibility for educating and influencing our children and youth in such a manner that they gradually foster the aspirations of winning honor for the motherland and invigorating the nation. If everyone thinks and works this way, our cause will definitely have limitless prospects.

Comrade Wang Zhen emphasized that state and army cadres should first have the aspiration of invigorating the nation. In reference to cadre system reform, army structural reform, and the reduction in strength and reorganization of the army, he said: Old cadres should retire and young cadres should be promoted. Some veteran comrades in the army should take off their army uniforms. If these two things are done well, the state and nation will prosper. This will also exert a good effect on our youth. If veteran comrades are not willing to give up their posts, new cadres cannot fill in, the structure of the cadre ranks will remain unchanged, the requirements for the "four transformations" for cadres cannot be fulfilled, and we will have no successors to our cause. Everyone should be clear about this major principle. To realize this, there should be an age factor, and in achieving this, there will be contradictions. Our revered Comrade Wang continued: Vice ministers who are 50 years old are now considered as young, although they are actually not young. I stand for selecting young people in their 30's for ministerial posts. People like us were made army commanders at the age of 20. One purpose of army structural reform and reduction in strength and reorganization is to use our financial resources where they are needed most so that we can concentrate our efforts on economic construction. National defense can only be ensured with the development of the economy. Some comrades have deep feelings for their army uniforms; so do I. Having been in the army for several decades, how deep our feelings are! But for the prosperity of the country and the nation, I also won't take off my army uniform. This is subordinating a minor principle to a major one.

How should we make arrangements for cadres who retire from their posts? Comrade Wang Zhen said: The organization has given careful consideration to veteran comrades, prepared enough funds for them to travel around, and created favorable conditions for them so that they can investigate and study. Veteran comrades should also be considerate. They should think how to contribute more to the party and the country. They should not brood on their problems too much, as if others had done wrong to them. They should not ask for favorable conditions and should not use the money given to them for going from place to place to enjoy the beauties of nature. This is going too far! This will make a very bad impression on others and on our youth. While in the leadership position, a person should work for the party; after leaving the leadership position, a person should do what he can for the party.

As China has abundant labor and natural resources, veteran comrades can still display their talent. For example, they can go in for tertiary industry, give guidance to our youth in reading books, reading newspapers, and story telling, and make suggestions on exploiting the border areas. Old as we are, our will should not wane. We should always keep in mind the aspiration of invigorating the nation and should think of the great cause of our descendants for generations to come rather than just give consideration to our children and grandchildren.

With regard to the problem of getting veteran leading comrades to drop their airs after retiring from office, Comrade Wang Zhen profoundly pointed out: In our socialist country, our cadres should have an enlightened idea. There is an old idea that once a person becomes a leader, he is a cut above others. Therefore, when he retires from office, he is not willing to do ordinary work. This mentality can be found not only in the cadre ranks, but also among the masses, but it seems that the cadre ranks have more such mentality. Recently, Comrade Deng Xiaoping said that exercising leadership means rendering service. This concept is very important and has a profound meaning. Leading cadres should be the servants of the people. If there is anything special which can be said of them, it is that they should have a better understanding of how to serve the people than ordinary cadres. Some of our cadres have said a lot about this Marxist knowledge, but unfortunately, they have done little about putting this knowledge into practice. Here lies the problem of changing old habits. The old ideas of the people will change through two elections and in 10 years or more. By then, leading cadres doing ordinary work after retiring from office will be assumed to be a matter of course.

Our revered Comrade Wang said: One should have the spirit of carrying out socialist modernization and the will to invigorate the country and the nation. Now we do not encourage the practice of rushing headlong into mass action. But in everything we do, we should have some drive and the spirit of daring to be responsible. Leading cadres should be bold in being responsible for and giving approval to major problems. Comrade Deng Xiaoping is a good example for us to emulate. He is thoughtful, resolute, and bold in giving approval and being responsible. For example, cracking down on criminals, drawing up the concept of "one country, two systems," implementing the open-door policy, and reducing the number of troops by 1 million, all these major things would not have been put into effect without someone's approval; and no one would have ventured to give a nod of approval without the spirit of being responsible for the country and the nation. Some people easily get bogged down in discussing small problems and cannot arrive at any conclusion even after half a day's discussion. Some like to shift their responsibility on to others. In the final analysis, they are a little selfish and lack the aspiration of invigorating the nation. For the sake of the country and the nation, what are you afraid of? A person will get nowhere if he is as timid as a mule, which is afraid of having its head crushed even by tree leaves. We should have some spirit, "speak less and do more," have the future in mind, and do something for the four modernizations.

Comrade Wang Zhen is a native of Liuyang County, Hunan Province. In 1923, he started his revolutionary career in the Changsha-Yueyang section on the Guangdong-Hankou railway. In 1927, he joined the Communist Youth League and later the party. In the 10 years of the land revolution, he was regimental political commissar, divisional political commissar, and acting army political commissar of the Red Army; acting commander of the Hunan-Jiangxi Military Region; and regimental political commissar of the Sixth Front Army of the Red Army. During the 8 years of the war of resistance against Japanese aggression, he was famous far and wide for being skillful in battle. He was commander and political commissar of the well-known 359th Brigade. In the 3 years of the liberation war, he was commander and political commissar of the

1st Corps of the 1st Field Army of the PLA, and he led the corps into Xinjiang. Subsequently, he was commander and political commissar of the railway engineering corps, deputy chief of staff of the PLA, minister for agricultural cultivation, and member of the Standing Committee of the Central Military Commission. Now he is a member of the Political Bureau of the CPC Central Committee and president of the Central Party School. Over the past decades, the future of the motherland and the liberation of the people have been encouraging him to fight on. Today he still works hard for the four modernizations, concerns himself with the prosperity of the motherland and the happiness of the people, is engaged in the cause of promoting friendship with the people of other countries, and works tirelessly for the peace and progress of mankind. Comrade Wang Zhen's spirit of "an old steed in the stable cherishing high aspirations" commands deep love and reverence among the people. A poem of the Tang Dynasty put it well: "Beautiful as the poems in his praise are, none of them is as good as his morality." At this long-drawn-out talk, we received profound education which enabled us to understand the moral character of revolutionaries of the older generation and their concern for the country and the nation. When we bade farewell to our revered Comrade Wang, the glow of sunset already filled the sky. We are grateful to our revered Comrade Wang for his hospitality. What is more, we will tell others about the feelings of revolutionaries of the older generation and strive to emulate their morality and integrity in our work.

CSO: 4004/32

THE PANZHIHUA SPIRIT AND EDUCATION IN IDEALS

Beijing RED FLAG in Chinese No 14, 16 Jul 85 pp 7-10

[Article by Jiang Xia [3068 7209]]

[Text] In the first 10 days of May, we had the good fortune to pay a visit to Dukou City, the new well-known steel city. A gigantic box-beam arch bridge with sidewalks spanning the Jinsha Jiang links both sides of the city. In 225 AD, Zhu Geliang crossed the Lu Shui or the Jinsha Jiang in May and went deep into the barren land, including Dukou and its surrounding areas to promote national accord there. "In those years the areas where there were deep gullies and high gorges everywhere were sparsely populated." But now things have changed here. Through efforts over two decades, an industrial base with iron and steel as the core has been formed for producing over 900 goods, such as coal, electricity, cement, and timber. Hence, a new rising industrial city has begun to take shape. In the city people can buy cyras revoluta, papayas, bananas, and mangoes, which glisten in the tropical sun. During our stay there for several days, we visited some mines and factories and listened to the scientific briefing on vanadium and titanium bearing magnetic iron ore. We also went sightseeing around the city during the day and at night and felt that everything here was so simple and fresh, so imposing, and so bright and beautiful and all this seemed to tell people: The people of Panzhihua are the descendants of Red Army men. On high mountains and in steep gorges and dangerous shoals, they have composed and are composing a stirring symphony of ideals so splendidly that it is really appealing, with their youth, lofty values, and firm beliefs. Being 2 months late, we missed the grand celebrations of the 20th anniversary (1965-1985) of the construction of Panzhihua and also missed seeing Panzhihua, that is, the kapok blossoms, in full bloom. However, from the given briefings, we can see that the March celebrations were also a lively education in ideals. As for Panzhihua from which the city's name is derived, it is also known as kapok or hero's flower. It is a big tree full of power and grandeur and not a weak climber with tender blossoms. The kapok tree's branches are tall and straight and its blossoms are as red as fire, which seem capable of kindling people's lofty sentiments and aspirations to forge ahead. Therefore, one may well say, Panzhihua is an ideal-stimulating flower. ...At present people are talking about matters relating to education in ideals. I think I have something to say on the above question, in connection with my impressions on the visit to Panzhihua.

First, I would like to present the two phrases used to depict Panzhihua: "Pave the way with our youth and let our ideals soar." These two phrases rich in poetic flavor and philosophic theory are quoted from a collection of photos entitled "A Land Richly Endowed by Nature,"* a collection in commemoration of the 20th anniversary of the construction of Panzhihua. We call it a collection of photos in terms of "being realistic." But in terms of "portraying the expressions of the photographers," it must be called a collection of paintings, a smartly designed collection which truly records or reflects the militant course of building Panzhihua, its brilliant achievements, and its beautiful scenes. The second part of the collection comes under a general headline of "building an enterprise through arduous effort and forging ahead while constantly opening up new prospects in work." This part includes many photos of scenes vast and spectacular enough to reflect the outlook of the times. One of the photos portrays the builders working hard to operate a giant crane to place the gigantic cement plank and steel bridge on the colossal bridge piers, thus raising the curtain for the mass construction campaign which was about to be launched. The inscription running below this photo is the two phrases we presented above. Is this out-of-fashion and unrealistic big talk that should be discarded? It is not. The plain truth is that paving the way with one's youth means letting one's ideals soar and bright prospects are created by hard work. Here, ideals take root in reality and the latter is illuminated by the former. Ideals lead practice and the latter turns the former into reality step by step. Here, ideals and the spirit of plain living and hard struggle and of working hard and defying all difficulties in dedication to the motherland and the people are closely related. This combination embodies the spirit of the times of being down to earth in winning glory for the motherland and making contributions to the realization of socialist modernization. As I see it, this is also the spirit of Panzhihua. When visiting Dukou 10 years ago, Comrade Hua Luogeng, the great mathematician who passed away not long ago, humorously composed a poem: "Go more frequently to the southwestern region of the country where conditions are harsh and less to the land of fish and rice south of the lower reaches of the Chang Jiang. It is not that I love my birthplace less, but that I love more the third-front regions where people are being tempered." Professor Hua loved his hometown located south of the lower reaches of the Chang Jiang. By using this method of contrast, he meant nothing but that we should be bold in going to "the places where conditions are harsh" to start an enterprise through arduous effort and to temper ourselves and not excessively miss the comforts and enjoyment in the "land of fish and rice." It seemed that when in Dukou, he deeply felt a force that urged people to foster lofty ideals and to struggle for and dedicate their lives to realizing lofty ideals. This force, coupled with all facts from which it is formed is highly capable of stimulating and tempering people. It is our magic weapon for overcoming all sorts of difficulties, and the precious wealth needed in rejuvenating the nation. It deserves our close attention and recommendation and is worthy of treasuring and studying.

*Comrade Deng Xiaoping inspected Dukou in November 1965. After hearing the report on the plans for the construction of Panzhihua, he highly praised Panzhihua as "a land richly endowed by nature."

To explain the truth that ideals must take root in reality and must be put into reality, I would like to make some additional remarks. In the past, there were two ways for writers and artists to portray their ideal characters and figures. The first was that the writers and artists who went deep into the realities of life had conditions and sufficient enthusiasm, sensitivity, and attainments for grasping the development laws governing real life and for perceiving the inevitable trend of the emergence of large numbers of new people. So long as they raised the level of their accomplishments in other fields, they would become abler to portray vivid and moving ideal characters and figures true to life. The other was that the writers and artists who were divorced from the realities of life (for example, those who confined themselves to an ivory tower) either knew absolutely nothing about, turned a blind eye to, or were indifferent toward the new people who came to the front from among the masses. With this attitude, they were reluctant to portray or found it difficult to portray any ideal characters and figures which were up to the mark. If they forced themselves to portray their ideal characters or figures, they could produce no more than pale, weak, false woodenheaded characters or figures, or something of very little resemblance to actual life. As I see it, the truth in the above facts is important to both the creation of writers and artists and our fostering of ideals. On the one hand, ideals should be refined from reality and practice and then be put into effect or materialized again in reality and practice. For example, whether viewed from the fostering of or realization of ideals, our ideals must be scientific socialism and not utopian socialism. On the other hand, practice should be guided by and contribute to the realization of our ideals. On no account must we act blindly or be short-sighted, ignore the activities of the broad masses to create history, and run counter to our ideals. For example, our practice must be practice in terms of dialectical materialism and not practice in terms of metaphysics or pragmatism. Many facts at present have proved that helping cadres and the masses acquire a correct understanding and properly handle the dialectical relationships between ideal and reality and between ideal and practice has become vital to the successful conducting of education in ideals.

All industrial and mining enterprises, institutions, and units are encouraged to proceed from their actual conditions and choose some typical people and deeds to expound on and prove the relationships between ideals and reality and between ideals and practice. This also means explaining the status and role of their work in the socialist modernization program, thus inspiring people to pay attention to linking their own work with the lofty ideals and to realize their lofty ideals through hard and solid work. In the album of commemorative photos of Panzhihua there is a long, beautiful photo scroll entitled "A New Steel City That Rises From a Bleak and Barren Land in the Past." The scene is indeed most magnificent. The photo implies that revolutionary spirit should be combined with a scientific approach and a glorious ideal can be realized steadily only by relying on hard work, struggle and necessary sacrifices. Ideals herald a bright future for reality and practice, struggle, and dedication are the creative activities and engineering spirit of turning ideals into reality.

During our stay in Panzhihua, we happened to read a collection of poems and proses entitled "Songs of the Pioneers." In the collection there are some lines composed with a clear objective in mind, such as "Dukou City's Lights"--"Every street lamp in the city is created by the working people and in turn it points the way for them"; "Plain living and hard struggle is bound to create a happy future, this is what life means"; "Go through hardships? Naturally, pioneers are bound to meet with hardships; Are there difficulties lying ahead? There are boundless joys in the course of overcoming difficulties"; "True, I am streaming with sweat; however, my motherland of the 1980's needs to use sweat--this raw material--to consolidate the foundation of ideals"; and "Let's kindle and refine Baoding's coal, Lanjian's ore, and our youth and love for the sake of a better future and in the pursuit of lofty ideals." These lines were particularly moving to me as I compared what I had seen in Panzhihua. This was because what I read and learned from the lines were the simple, real, and militant aspirations and sentiments of the writers which they derived from real life and there were not ravings and strange stories in their works. From the point of view of education in ideals, the poems in the collection pointedly touched on the three following questions: First, what ideals should one foster? Second, whether or not ideals should be "refined" and how to do so? Third, how can one's chosen ideals be realized? I would like to briefly explain these matters.

With regard to the first question, it must be said that it is much better for one "to cherish ideals" and "to pursue something big" than "to be muddle-headed" and "not give serious thought to anything." People usually like to use the term of "pursuing something big" to judge or appraise a man. There is some truth in the practice. However, there is indeed the problem of what to cherish and what to pursue in this connection. We must have a clear idea of this problem. Otherwise, people may use the term of "pursuing something big" as a pretext in pursuing vulgar and evil things or "stop at nothing but money and gain." Moreover, they may be encouraged to do so. This is not the thing we expect. Then, what ideals should be fostered? Is there any objective yardstick in this respect? There is. The yardstick is that people's ideals must go hand in hand with the development of society and on no account must they run in the opposite direction. The ideal of communists is to realize socialism and communism. This embodies the identity between ideal and the laws governing social development. With this fundamental and general ideal at heart, the realization of the other concrete ideals will already be ensured. Those who really pursue something big must work hard to foster this general ideal. The answer to the second question is that ideals undoubtedly need "refining." It is certainly no easy job to really foster a glorious ideal. On the contrary, it is definitely necessary to study in practice and to willingly strengthen training in all fields including self-cultivation. This is what we call "refining." At the same time, on the road of life there are indeed quite a few things that can blur our ideals and numerous factors that can weaken, mutilate, and forsake our ideals. For example, being infatuated with some personal gain and given to certain music and women can make people short-sighted, mediocre, and despicable. Therefore, to preserve the purity, vigor, and highness of our ideals, we must resist the corrosive influence of decadent ideas. This is also a form of "refining." As for how to achieve such a "refining," it is necessary to kindle our youth and love

simultaneously at the poet vividly stated above. In other words, in refining our ideals, we must make earnest and not false efforts and strive for it with all our might. As for the third question, as we have stated above, it is necessary to rely on practice in realizing our ideals. If we claim to have a glorious ideal but attempt nothing and accomplish nothing, the ideal, no matter how glorious it is, will be but a castle in the air. In short, helping our cadres and the masses correctly understand and properly solve the three above-mentioned questions is a task that cannot be ignored in our present effort to conduct education in ideals.

During our visit, we also had the impression that the construction of Panzhihua took a relatively long time (more than 20 years), and therefore, people could gain a lot of enlightenment from it. The comrades of Panzhihua have begun collecting materials and writing the "History of the Construction of Panzhihua." Historical facts show us: In the whole course of prospecting, designing, approval, ground-breaking, combating difficulties and setbacks, and winning victories, a course that lasted for 20-odd years, people multiplied endlessly and made unceasing efforts to improve themselves proceeding from one starting point to another one and from one height to a higher one. They have thus become more capable of knowing from their experience the joys and sorrows of life and learned that ideals not only belong to the future but also run through and act on the present (for example, ideals can encourage and arouse present beliefs and enthusiasm and can correct the present course). This truth seems a bit abstract but with second thoughts, we can find that the truth contains concrete substance and significance.

In our real life, have we not often heard the following comments? A bird in the hand is worth two in the bush. Why should we talk much about ideals for the future since they are quite distant? What is important is to pay close attention to the present. Of course, as far as our work is concerned, it is correct to pay close attention to the present. However, it must be understood that on many occasions, if people fail to correctly sum up their past experiences and to gain a clear idea of the future, they will be unable to successfully fulfill their present tasks. The argument that ideals belong totally to the future is not entirely correct. With the repudiation of the view that communism is but a dim illusion we carried out several years ago, we have come to realize that in accordance with the laws governing social development, as a social system, communism naturally belongs to the future. However, its primary stage has been realized in China. At the same time, as an ideological system and a real movement, there is communism everywhere in our actual life and among the people in their hundreds of millions. Communism is not at all a dim illusion.

Do ideals only deal with the future and not the present? Of course not! Once ideals, as a lofty objective and direction, take root in our hearts, they will become the standards for our present life and actions. In other words, ideals deal with the present. For example, we have long formed an ideal, that is, thoroughly eliminating exploitation and oppression. Therefore, we must, from the time when ideal is formed, never ride roughshod over the people as oppressors and exploiters under any circumstances, even though the ideal may be realized sometime later in the future. Again for example,

while working for a high level of socialist material civilization, we must strive to build a high level of socialist spiritual civilization. These two "high levels" cannot be completely attained in the present period and therefore, efforts should be continued in the future, immediate and distant, to achieve them. However, since we have defined the ideal and objective, we must from now on not do things harmful to the development of productive forces, to the realization of the socialist cause, and to the fostering of communist ideas and values. Of course, in our present society, what is permitted by our present policies and laws and decrees is not necessarily identical with our ideals and world outlook. However, it must be understood that we must effectively implement the policies and abide by the law and state decrees and not regard the basic requirements for not breaking the law and violating the policies as the highest standard for our actions. Our ideals, world outlook, and outlook on life can lead us in doing things more ideologically and morally more advanced and nobler. At the same time, our laws are socialist in nature. Their fundamental spirit is to encourage people to foster communist ideology and to build socialist spiritual civilization. Let us think: Whether or not the statement made by Comrade Deng Xiaoping in March on strengthening education in ideals and discipline and the speech delivered by Comrade Chen Yun at the national meeting held in June to exchange experience in rectifying party style were aimed at solving problems in the present period, in other words, we should, from now on, use our ideals as a steering wheel to rectify some views and practices of our cadres and the masses, in particular, communists. I think it is so. The truth is very clear. The lofty ideal of communism governs the future and as a direction and road as well as principles, it runs through and governs various things in the present period. To put it briefly, it also means that to uphold the ideal of communism, it is necessary to adhere to today's socialist road and principles. What action we take at present must definitely not run counter to our ideals for the future. With this established, we must understand that the education we are carrying out at present is aimed mainly at making clear what principles and standards our ideals for the future set for our actions at present which should be adhered to firmly rather than giving us a minute description of various prospects for our ideals for the future. This is what our propaganda and theoretical workers should strive to achieve.

Coming to this point, I suddenly remembered that every rail produced in Panzhihua bears the trademark of Panzhihua. One poem read: "Let our motherland march on toward the four modernizations along the road paved with flowers." In my understanding, the road paved with flowers is the socialist road, along which we have to forge ahead. Oh, Panzhihua! I wish you happiness and thank you for your enlightenment. I will study and spread your spirit.

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WHY THEY CAN OPEN THE HEARTS OF HUNDREDS OF THOUSANDS OF YOUNG STUDENTS

Beijing RED FLAG in Chinese No 14, 16 Jul 85 pp 11-12

[Article by Fang En [2075 1869] and Yan Fushun [7051 4395 7311]]

[Text] At present, we frequently hear the comment that it is not easy to carry out ideological education of youths and that it is particularly difficult to do so with college students. Some people have even gone to the extent of using the description that they are "impenetrable by sword or spear." Are young students really so difficult? No, just the opposite! Not long ago, we accompanied the "protect-the-frontier and dedicate-youth" lecturing troupe to tour and make speeches in a score of cities and towns including Beijing, Tianjin, and Shanghai. Everywhere we went we saw a most impressive scene of the vast numbers of young students striving to learn from the example of heroes and heroines.

At Beijing University, an auditorium with a seating capacity of 2,500 people was crowded with 3,000 people. A report of less than 2 hours' duration was applauded over 70 times by the fellow students. At the conclusion of the program, comrades of the lecturing troupe were surrounded by people asking for their autographs. Finally, comrades of the lecturing troupe could only get on the departing bus with the help of guards.

At Zhejiang University, soon after the start of the lectures, rain fell. When those in charge of the program were on the point of announcing the adjournment of the meeting, the participants loudly demanded that it should be continued. Thus, as the rain continued, nobody raised an umbrella or left the meeting. Sweat and rain water flowed freely on the faces of the teachers and students.

"For a long time, our hearts and souls have not been so strongly impressed." This was what the university students, after attending the discussion meetings, uniformly wrote in their letters. They said with one voice: "Of the 24 meetings held since the completion of the Shanghai Cultural Plaza, this one was the best." "The immense effects of this lecture session on the youths can only be compared with those at the report sessions of the 'resist-America aid-Korea' volunteer heroes." Thus said certain of the comrades who had long been engaged in educating youths in Shanghai.

Why was it possible for the "protect-the-frontier and dedicate-youth" lecture troupe to open the hearts of hundreds of thousands of young students? What sort of enlightenment could this give to ideological and political work? In our opinion, there was one major point--moving people with facts.

First, the earthshaking illustrious deeds of the heroes defending the frontier served as momentous educational images which inspired confidence in the eyes of the youths.

Present-day youths expect educators to consciously practice the ideological principles which they propagate. They very much despise those people who act differently from what they say and only know how to use the torchlight on other people's faces. On the other hand, the heroes defending the frontiers are precisely educators who, by virtue of their own fighting careers most deserve confidence in the eyes and hearts of the youths. Among these heroes, there are peasants' sons and the offspring of generals; some of them are the only children of parents who have bestowed fond care and affection on them since their birth while some others are the eldest grandsons of millionaires in Hong Kong. There are also youths who have earned a sizable monthly income from individual enterprises as well as people who, since their graduation from school, have, of their own initiative, laid aside their literary profession and joined the military ranks to become "student officers." They all have their own warm and comfortable homes, are endowed with the conditions of becoming scientists and artists, and, like all other youths of about 20 years of age, have begun to weave garlands for their future, but at a time when the security of their fatherland was being endangered, unhesitatingly and without looking back, they stepped forward bravely and joined in the battle. One of them had his eyes blown apart and an eyeball popped out. He used his hand to put it back in place and groped his way to continue the fight. Another had his intestines blown out. He girded them under his belt and continued to open fire at the enemy. Still another had his left arm broken, but he used his right hand to grasp the enemy by the hair and, with his teeth, bit the enemy's throat apart. One of them single-handedly stormed an enemy's post and, despite one of his eyes having been hit and blinded, continued to fight for 4 days and 3 nights. Some, though already killed, still had the appearance of being on the lookout and pointing their guns at the enemy's lines.... The comrades of the lecturing troupe had all just returned from the frontline. They had passed through life and death ordeals. The majority of them had done meritorious deeds on the battlefield. When they stood before the youths and narrated how they themselves and their comrades-in-arms had made use of their blood and lives in composing the ideal stories, the youths completely believed in them. Just as a poet who had visited the frontline said: "Soldiers and officers who have just returned from the frontline are like holy and pure lake water. Each and every one of the people who have come into contact with them will have their souls washed clean." At first, at Beijing University, some of the students, resenting the current price subsidy as being too little, were in low spirits. After hearing the reports of the lecture troupe, they said: "For the sake of the fatherland, the warriors have shed their blood and made sacrifices. At present, our country is by no means rich. If we should raise demands that are too high, how could we excuse

ourselves before the martyrs who had sacrificed their lives?" Some units had not been able to carry on their work in the ideological education of the youths, frequently not because the youths did not respond properly to the education but because one of the major factors was that the teachers themselves had not been in the right. You can imagine--when a person who himself has done wrong stands on the rostrum of ideological education, the beautiful things he says about ideology will be covered with a fallacious taint. What results in education can be talked about?

But resorting to practical actions of sacrificing one's self for the state as a measure to solve the various puzzling problems about ideology and life that have harassed the current young college students is precisely wherein lies the educational strength of heroes defending the frontiers.

What is the true value of life? How should we handle the relationship between the individual and society? How do we interpret happiness? What is meant by having a future? These questions which revolve around ideological education and which are in the minds of college students day and night have all been encountered by the warriors, who have answered them in a most high-sounding and outstanding manner of the present era by means of their own fresh blood and lives.

"I am proud to be a cadet,
Ten yuan is my monthly pay.
Hardly sufficient to buy a bottle of maotai wine or a carton of Da Zonghua cigarettes.
But I am rich, with a string of pearls around my heart.
One drop of blood of mine is worth millions,
One drop of my sweat can change stone into gold,
If I take up literature, I can become the equal of Li Bai,
If I take up science, I can become another Newton,
Even though I work on my farm,
I can make the soil turn out pots of gold.
So that infants may have sweet dreams, I can shed my blood,
To show affection to my beloved, I can endure pains,
Because flowers can smile so sweetly and the young bamboo shoots are so impressively green,
And so that smoke from kitchen chimneys can keep on rising,
And the wheels of vehicles will roll swiftly on the highways,
My broad shoulder will bear all misfortunes that come my way!"

This is the poem which the warriors on the frontline like most.

The poem is only a short one, consisting of a little over 10 lines but it is a crystallization of the warriors' concept of value, of their evaluation of joy and sorrow and of their outlook of life and death. Reading it, one can truly hear the warriors' blunt and powerful heartbeats. Guided by such an outlook on life the fighters have put their relationship with the fatherland on the right track. In fact, some of the fighters, having resolutely decided to participate in the life-and-death struggles, left behind their infants shortly after their birth. One held in his hand a telegram telling

of the bad tidings of his father having been imprisoned on account of a false accusation by other people, while some had firmly taken the step despite pleadings from their loved ones who had threatened to summarily break off all relationships. After all, in regard to ideals and in actual life are there really many profound philosophies worth talking about? However, precisely from these vivid realities, the youths have found the answer which had eluded them for a long time.

A girl student of Jiangxi Medical College said: "I had been very discontented with the realities of life. I went to Kant and Hegel to seek an answer but there was no way to solve my misgivings. It was the heroes who used their fresh blood and lives who helped me find the navigation marks of theory."

At Shandong University, a member of the graduating class had been three times to see the leadership of his department concerning job distribution following education. The first time was when the semester had just started. On that occasion, he tried to impress on the leadership his family's difficult problems. The second time was in the middle of the semester when he wanted to find out whether or not he could find a job in Qingdao. After hearing the report of the lecture troupe, he went to see the leadership again. This time, very surprisingly he said: "At a time of the fatherland's and people's urgent need, our fighters have ungrudgingly offered their blood and lives. Now I am graduated and capable of doing something for the state but I have been thinking of myself first. I feel deeply ashamed. It is true that my family has troubles but if I am called upon to go to defend the frontier, I shall obey with great pleasure." At present, at Shandong University, over 1,000 students have voluntarily asked to be assigned to places where the fatherland needs them most.

Our youths ask for reality. In similar manner, in educating the youths, there should be no fancy postures and all sorts of made-up games should be avoided. Recently, the central authorities have repeatedly stressed the importance of "speaking fewer empty words but doing more solid things." This likewise applies to work on the youths' ideological education. In this kind of work, it is necessary to specially emphasize such principles as "teaching with one's own deeds is more important than teaching with words," "the surface and the interior should be alike," and "in correcting others one should correct one's self first." If each and every leadership cadre, each and every young worker, and each and every party member will be like the heroes defending the frontiers who do no empty preaching but use their own exemplary deeds to guide the youths, then the influence of communism on the youths will be increased by 10 or 100 times.

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IMPROVE AND STRENGTHEN THE PARTY'S LEADERSHIP IN ENTERPRISES

Beijing RED FLAG in Chinese No 14, 16 Jul 85 pp 13-17

[Article by Cao Zhi [2580 1807]]

[Text] The gradual introduction of the factory director (manager) responsibility system in enterprises is a big event. For more than a year, various areas have energetically experimented with this reform in line with the demands of the CPC Central Committee. The progress of their work has been relatively quick. The development of the reform has been healthy, with much experience accumulated and obvious results achieved. Comrade Hu Yaobang said in a recent directive concerning how the party committee should do its work, that with the introduction of the factory director responsibility system, we must accumulate new experiences and make new stipulations. In light of the conditions reported by units involved with experiments in various areas, I think that there are a few problems about which our understanding must be further raised. The aim is to do a still better job of enterprise party committee work.

1. Party Leadership Over Enterprises

In the past 30 years or so since the founding of the PRC, the enterprise leadership system has undergone several major changes. The factory director responsibility system under the leadership of the party committee is what has been practiced the longest. This was the system practiced from the time of the Eighth National Party Congress to before the "Great Cultural Revolution." Since the downfall of the "gang of four," this system has been restored and developed as an embodiment of the principle of "collective leadership by the party committee, democratic management by workers, and administrative orders from the factory director." Practiced for a relatively long time, the factory director responsibility system under the leadership of the party committee is generally accepted. What should our attitude be toward this issue? It should be said that this system has played a major role in restoring order in enterprise production and strengthening enterprise management. At the same time, we must note that it does have flaws. These are mainly lack of a clear responsibility system, a tendency toward slowness in making policy decisions, low efficiency, and incompatibility with modern enterprise requirements for strengthened production control and management of operations. With all enterprise work placed under the unified leadership of the

party committee, the possibility of no separation of party and administrative functions, a party committee monopoly on administrative affairs, and the neglect of party-building efforts and ideological and political work in enterprises is likely. Comrade Deng Xiaoping said as early as a few years ago: Such a system does not help to streamline factory management and modernize the industrial management system, nor does it perfect party work in factories. To further carry out the guideline of enlivening the domestic economy and opening to the outside world and to adapt to the new situation marked by the economic reform and enlarged enterprise decisionmaking power, the reform of the existing enterprise leadership system is unavoidable.

In experimenting, many comrades worry that the introduction of the factory director responsibility system will weaken party leadership. To solve this problem, on the one hand we must acquire new experiences through experiments and convince everyone with facts. On the other hand, we must raise our ideological awareness in regard to the combination of theory and practice and have a correct understanding of party leadership over enterprises. For many years, some comrades have simply and narrowly interpreted party leadership over enterprises to mean leadership by the party committee over enterprises and a case of leaving everything in an enterprise to the decision of the party committee. Many party committee secretaries are kept busy all day long with matters important or unimportant. They have a hard time taking care of everything. Only this is considered living up to the responsibilities of leadership. Such a traditional concept or practice must now be changed. In the political report of the 12th National Party Congress it was pointed out: "Party leadership is chiefly leadership over ideology and politics and general and specific policies, and is a matter of selecting, promoting, assigning, assessing, and supervising cadres. It should not be equated with government and enterprise administrative work and control over production. The party should not take over their work, doing everything on their behalf." In exercising party leadership, we must rely on the party's line, principles, and policies, on ideological and political work, and on giving full play to the role of the party organization as a powerful fighting force and the exemplary role of party members as vanguards. In the final analysis, we must rely on promoting the welfare of the masses of people and on the strength of truth to lead the masses forward.

With the introduction of the factory director responsibility system and with production and operations and administrative work placed under the unified leadership of the factory director, does party leadership still exist in an enterprise? Of course it does. Furthermore, it must be improved upon and strengthened. Where is party leadership manifested over an enterprise? First, an enterprise must thoroughly carry out the party's line, principles, and policies, enforce the laws and rules and regulations promulgated by the state and the orders and decisions issued by the organs in charge, and accomplish the state's plans and various other tasks. Second, the organ in charge at a higher level must undertake to appoint or dismiss factory directors and other factory-level administrative cadres and to train, assess, and reward or punish these cadres. The higher-level organ has the right to discharge any factory director appointed by it should he prove unequal to the job during the period of his tenure. Third, the party organization in an

enterprise strengthens ideological and political work, educates party members about the need to be the first to suffer and the last to have joy and pleasure, serves the people wholeheartedly, gives full play to the exemplary vanguard role of party members, and guides the masses of workers in an effort to conduct production and operations. Fourth, the enterprise party committee's supervisory role also embodies party leadership. On a survey trip in north-east China, Comrade Peng Zhen said that supervision is an exercise of great power and should not be treated lightly. The supervision over the masses of workers is like the role of the master of the house. The enterprise party committee's supervision gives expression to party leadership. In summation, party leadership over enterprises has meaning on many levels and cannot be interpreted in a simple and narrow way. With the introduction of the factory director responsibility system, the enterprise party committee can devote more time and energy to pondering important matters of policy, strengthening the party's ideological and organizational construction efforts and ideological and political work, and changing the situation of the party not taking care of itself. All this serves to improve and strengthen party leadership. Of course, what are the ways and forms through which the party exercises leadership over enterprises is not only a problem of practice but also one of theory. What is discussed above is based only on the present level of understanding and on how things are progressing with experiments. It must be further deeply studied.

2. The Status and Role of the Party Organization in an Enterprise

With the introduction of the factory director responsibility system, the enterprise party organization no longer exercises unified leadership over production and administration, nor does it take a direct part in appointing or dismissing middle-level administrative cadres. Some comrades cannot immediately adapt to such a change and feel that the party committee has nothing to do. Some even think that the party organization is being subordinated to administration and is of no consequence. Such ideas betray confusion and must be clarified.

The enterprise party committee (including the party general branch and the party branch) is a basic-level party organization in an enterprise. The party basic-level organization is a cell of the party. It is like the cell of a living thing. Whether or not it is healthy or dynamic has an effect on the whole organism. Whether or not the myriads of party cells, or basic-level organizations, are full of life has a direct impact on the fighting power of the whole party organization. How the role of party organizations and party members is called into play has a direct effect on the party image and on the relations between the party and the masses. An enterprise owned by the whole people has at least a few hundred workers or as many as several tens of thousands or more than a hundred thousand workers. It is hardly conceivable to run an enterprise well without giving full play to the role of the party organization and party members. With the introduction of the factory director responsibility system, the party organization's tasks are unlike what they were before, yet there has been no reduction in its responsibilities. An enterprise party organization must firmly carry out the guiding policy of serving the realization of the party's main tasks

and goals and closely combining the practice of economic construction and the economic reform with the performance of work. The factory director must exercise unified leadership over an enterprise's production and operations and administrative work. The enterprise party committee must exercise ideological and political leadership over an enterprise, take charge of an enterprise's ideological and political work and the organization of the masses, ensure and watch over the thorough implementation of the line, principles, and policies of the party and the state, strengthen the party's ideological and organizational construction efforts in an enterprise, and give full play to the exemplary vanguard role of party members. It must support the factory director in exercising the powers of office and bring into harmony the relations between the factory director and the workers' congress and between the factory director and the masses.

Some comrades have raised the following questions: Is the enterprise party committee still the leadership core? In an enterprise, who is now the No 1 man--the factory director or the party committee secretary? The idea of the enterprise party committee being the core of an enterprise's leadership is not laid down in the party constitution. The party constitution says that the basic-level party organization is the party's fighting force in a basic-level social organization. Wording about the core of leadership appeared in the tentative regulations on the work of basic-level CPC organizations in industrial enterprises promulgated in 1982. Since the introduction of the factory director responsibility system, the factory director has exercised unified leadership over matters of production control and operations and management work. The party committee has no longer been suggested as the core of enterprise leadership. Wording about the No 1 and the No 2 man in an enterprise also appeared, marked with no separation of party and government functions. It should now be stressed that the administration and the party organization, the factory director, and the party committee secretary perform their own duties and discharge their own responsibilities respectively, act in close cooperation, help each other, and work toward the realization of the common goal of running the socialist enterprise well.

3. How To Give Full Play to the Party Committee's Protective and Supervisory Role

With the introduction of the factory director responsibility system, how the enterprise party committee should give full play to its protective and supervisory role is a new problem. There has been no consensus of ideological awareness. Some party committee secretaries ask that with no actual power now, how can they play a protective and supervisory role? Some others say that their responsibility is to support the factory director's work and that they have to be protective even if the factory director has made mistakes. On the other hand, some factory directors point out: The best thing is to do away with supervision. With the party committee keeping watch over us, we just feel constrained in our actions.

It seems that we must first of all clarify what a protective and supervisory role involves and unify everyone's awareness where the central decision on the economic reform is concerned. The decision says that the party

organization in an enterprise must guarantee and supervise the implementation of various general and specific policies of the party and the state. This makes it very clear that the party committee's supervision is not simply supervision over production and administrative work, or still less is interference in production and administrative work. Some comrades worry that supervision not properly exercised will become interference. Such worries are not unjustified. Two things are involved in drawing a line of demarcation between supervision and interference. One is that what is under supervision must deal with the principles about general and specific policies. Another is that what is actually involved in supervision is guiding various economic activities so that they can agree with the various general and specific policies of the party and the state. The aim of supervision is to enable an enterprise to properly carry out the party's general and specific policies and properly handle the relations between the state and the enterprise and between the enterprise and the workers, in order to ensure the development of the enterprise in the socialist direction. What are those major issues in an enterprise dealing with general and specific policies that require the party committee to exercise its protective and supervisory role? The following are examples: Are the ideas of production and operations in an enterprise in line with socialist principles? Is an enterprise practicing democratic management and really protecting and giving full play to the authority and role of the trade union organization and the workers' congress in examining the enterprise's major policy decisions, supervising administrative leadership, upholding the workers' legitimate rights, and so forth? Is an enterprise carrying out the principle of distribution according to work and simultaneously taking care of the interests of the state, the enterprise, and the worker where distribution is concerned? Is an enterprise following financial systems and discipline and protecting state interests against encroachment? Is an enterprise carrying out policies on personnel matters and on cadres and upholding the employment standard calling for a combination of political integrity with ability and the appointment of people on their merits where the use of people is concerned?

As to the concrete ways of protection and supervision, this is a problem that must be further explored in practice. As to how to give better play to the effect of the protective and supervisory role, solutions must still be created by everyone through practice. One thing worth noting is that protection and supervision represent a problem with two sides. There cannot be just protection without supervision, nor can there be just supervision without protection. It should be that if actions connected with those important issues above are in line with the party's general and specific policies and the state's laws, rules, and regulations, the party committee has the responsibility to play a protective role in various ways, so that they can be realistically put into practice. Conversely, if any deviation from or violation of the party's general and specific policies is noted, the party committee should assert its supervisory role and make the necessary correction to bring things in line with the party's general and specific policies. The party committee's protective and supervisory role must cover the whole process of economic activities, so that we can be on the safe side and avoid "20/20 hindsight." Only by doing so can we say that the act of protection and supervision is positive and spontaneous and not negative and passive. This also imposes

more exacting demands on the work of the party committee and the party committee secretary.

4. The Relations Between the Party Committee Secretary and the Factory Director

The harmony and unity of a leading group in an enterprise, especially harmonious relations between the party committee secretary and the factory director, have a direct effect on an enterprise's various tasks. With the introduction of the factory director responsibility system, new work relations of close cooperation should be established between the party committee secretary and the factory director. Generally speaking, the administration and the party organization of an enterprise, and the trade union, the CYL organ, and other mass organizations in it, have their own respective systems. They cannot replace each other and must act to fulfill their own duties. Still, an enterprise is a whole. Any organization within it must perform its work while focusing on the enterprise's central task--production and operations--contributing toward the building of socialist material and spiritual civilization.

In the CPC Central Committee's decision on the economic reform, it was stipulated that the factory director should be capable of organizing and directing enterprise production and operations with efficiency and that the party committee secretary should be capable of upholding the correct political direction and unifying the masses of workers. Properly installing factory directors and party committee secretaries in line with this requirement ensure the implementation of the factory director responsibility system. In experiments, factory directors generally feel that with the exercise of more power, the weight of responsibility has increased. They hope to receive help and support from the party committee. In their work, many factory directors have taken the initiative to win the party committee's support and accept the party organization's supervision. Based on the needs of the party's cause, many party committee secretaries have given lectures on the overall situation, on party spirit, and on unity, have tackled important matters with due attention, have taken care of small matters with no unnecessary waste of time, and have wholeheartedly supported the factory director's work. In all enterprises staffed with such factory directors and party committee secretaries, both production and work are lively.

It must be especially stressed that the reform of the enterprise leadership system requires the party committee to be able to adapt to the new situation, change inappropriate traditional concepts, and keep improving work methods and honing leadership skills. Party committee secretaries have been released from the bonds of administrative affairs and are relatively free. They have more time for learning and for investigation and study. They should come up with new work methods and new work styles. In experiments, many party committee secretaries have done this. For example, when the factory director in a certain enterprise got involved with the business of appointing and discharging middle-level administrative cadres and nominating administrative cadres at the level of deputy factory directors, the party committee acted in close cooperation with the factory director, resorting to such measures as

the holding of forums, conducting public opinion polls, having talks with individuals, and more, thus thoroughly following the mass line, listening to opinions from all sides, and providing information for the factory director as a basis for decisionmaking. The latter was quite satisfied. He felt strongly that cadre work in an enterprise cannot be separated from the support of the party committee. With a change in leadership methods and work methods, demands on the party committee and the party committee secretary are not lowered, but are more exacting. Ideological and political work must be made to permeate economic work through various channels and at many levels. Outstanding skilled personnel must be found and trained for enterprises. The protective and supervisory role must be properly brought into play. All this requires party committee secretaries to have a still higher political and theoretical level and a higher level of policy consciousness, to get acquainted with production and operations, and to grasp relevant economic laws, rules, and regulations. Otherwise the work assumed by the party committee will not be handled well.

In correctly handling the relations between the party committee secretary and the factory director, we must solve the problem of ideological awareness, strengthen close cooperation, and promote mutual support. Apart from this, another very important matter is that we must gradually evolve a set of concrete measures from work systems and work procedures so that an enterprise's various tasks can be put on a scientific, orderly, and systematic basis.

5. Strengthening Ideological and Political Work in an Enterprise

Some comrades worry about the present weakness of ideological and political work in enterprises. There are many reasons for this problem. We should have confidence about solving this problem. With the introduction of the factory director responsibility system, the party committee has been relieved of the pressure of administrative work. This has provided favorable conditions for the strengthening of ideological and political work. We must first understand that as long as we work to build socialism with Chinese characteristics and insist on building material and spiritual civilizations, ideological and political work is involved. History and experiences in real life tell us that the party's ideological and political work is an important guarantee of our victory in revolution and construction. Any time ideological and political work is given less attention and left in a weak state, problems arise. With the introduction of the factory director responsibility system, shouldn't we improve and strengthen party leadership? Comrade Deng Xiaoping pointed out long ago: "When we call for improving party leadership, the most important thing is to strengthen ideological and political work." ("Selected Works of Deng Xiaoping," p 324) The enterprise party committee must insist on paying simultaneous attention to socialist material and spiritual civilization construction, closely combining efforts with economic work, do a good job of ideological and political work among workers, and give full play to the masses of workers, their initiative as well as their activism and creativity. This is an important manifestation of party leadership over enterprises.

In the long process of revolution and construction, a lot of valuable experience has been accumulated in our party's ideological and political work. Fine traditions and work styles have been cultivated. For example, in all work, the principle of putting ideological work first is upheld, the idea of providing guidance and convincing people by reasoning is followed, an ear is lent to what the masses say and concern shown about their suffering, and the leadership cadre set a personal example and take the lead in setting examples. All this should be continued on and developed. It should also be noted that in former years, under the influence of "leftist" mistakes, negative things occurred in ideological and political work. In the new historical period, what ideological and political work involves and the relevant ways and means of handling it call for further improvement. In enterprises, the main target of ideological and political work is youths. The young people of today are ideologically active and have a relatively high cultural level. Only by taking this into consideration in doing ideological work can we achieve good results. This imposes a task on us. In ideological work, we must not only carry on and develop past fine traditions, but also adapt to new conditions and continuously explore and create new things.

Ideological and political work must be devoted to the building of a workers' contingent that has ideals, moral principles, cultural knowledge, and a sense of discipline. This calls for strengthening the building of a political workers' contingent itself and raising its quality. Now it is generally reported that political work cadre are not reconciled to their work and that the quality of the political workers' contingent is not high. To solve this problem, we must carry out ideological education so that political work cadre can see the glorious duties they have assumed. We must educate them so that they can show passion for their job, actively study the fundamental principles of Marxism, acquire scientific and technical knowledge, get acquainted with matters of production and management, and strive to be experts in their own field. On the other hand, party organizations at all levels must show concern over their ideological performance, their work, their study efforts, and their lives, and help them solve actual problems that can be solved.

To further study and explore things about how the party committee should perform its work in experiments with the factory director responsibility system, two points must be stressed:

First, we must continuously unify ideological awareness and unify everyone's awareness where the CPC Central Committee's decision is concerned. Because of many years' involvement with the factory director responsibility system under the leadership of the party committee, some comrades are inadequately prepared ideologically for the new system. For a certain period they are likely to have doubts of one kind or another. This is understandable. With the appearance of something new, there is always an adjustment period. This requires party committees at all levels to do more patient and conscientious persuasive and educational work. For example, we must educate cadre, especially party committee secretaries so that they can change the traditional concept of everything being under the leadership of the party committee--a concept formed over many years--and actively support factory

directors in exercising the powers of office. We must also educate factory directors so that they can properly exercise their powers and avoid the phenomenon of abusing authority. We must enable the whole body of workers to understand that in carrying out the factory director responsibility system, we must strengthen production and operations and administrative work and also strengthen enterprise party construction and ideological and political work and enterprise democratic management. Thus, party, administrative, and mass work in an enterprise can be strengthened within their respective scopes. This means "strengthening in three respects."

Second, we must have the idea of being bold in exploration, positive, and enthusiastic. The switch from the factory director responsibility system under the leadership of the party committee to the factory director responsibility system is not only a change in the leadership system, but also a change involving ideological concepts, habits and leadership methods, and a readjustment of the duties and tasks of the party organization, the administration, and the trade union in an enterprise. Especially for the enterprise party committee, some of the originally familiar leadership methods and work methods are no longer applicable, and a new set of methods has yet to be mastered. In the face of this reform, should we do nothing, taking a passive and wait-and-see attitude, or should we be active, enthusiastic, and bold in exploration? These really represent two different states of mind. With a pioneering spirit, many of our enterprise party committee secretaries are actively groping for new experiences about how to do the party committee's work and how to be a good party committee secretary with the introduction of the factory director responsibility system. Exploration in practice, summing things up following exploration, seeking improved standards in summing things up, and again carrying out practice on the basis of raised standards will allow continuous consolidation and development of the results of reform.

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OPEN THE CITY GATES WIDE, GIVE FULL PLAY TO THE ROLE OF CITIES

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[Article by An Zhiwen [1344 1807 2429]]

[Text] Opening the City Gates Wide Is Urgently Needed To Develop the Urban Reform in Depth

A city is an outcome of the development of the commodity economy and the division of labor in society. It is a political, economic, and cultural center and an important base for developing the socialist commodity economy. The position and functions of socialist cities determine that they should be open, instead of being separate and closed. At present China's cities are the places where the commodity economy is highly developed and where the most advanced and vital social productive forces are concentrated. According to preliminary statistics, the fixed assets of urban industrial enterprises account for around 75 percent of the nation's total and their profits and tax payments account for over 80 percent of the nation's revenues. China's cities have centralized the majority of industry of the whole nation. They are the trading, financial, communications, information, science, and education centers of various regions and the places where production, exchange, distribution, and consumption are highly developed. A city has a strong radiating and attracting force that can produce a great impact on the surrounding areas. The different types of economic zones with distinctive characteristics in China are established and have developed with cities as their centers. In the reform of the urban economic structure, breaking with closed-door ideas, opening the city gates wide, and giving full play to the central role of cities have become the most important prerequisites for developing the socialist commodity economy.

China's economy has long been managed according to the administrative system. Economic activities were limited to the scope within departments and regions, thus setting a barrier between different departments and regions and between the central and local authorities. The urban economy was artificially conditioned by the closed type administrative system, which made it difficult to develop economic relations among enterprises and regions. In order to put an end to such a state of affairs, we repeatedly tried out the management system based on departments and that based on regions. However, the contradictions between different departments and regions remained unsolved because

the stress was merely on the transfer of power between the departments and regions. Facts have proved that the problem can be properly solved only so long as we open the city gates wide and organize various economic activities centered on cities. Why? This is because a city is the point where department and regional management meet. With vast economic superiority, it is convenient for a city to organize social, economic, and technical activities and prepare the best combination and composition of production factors. The cities are naturally open. Once the barrier is removed, the cities will give impetus to the development of the national economy. The experience of the urban economic reform carried out at selected points in recent years has proved that giving full play to the central role of cities and vigorously developing economic relations among enterprises and regions while rationally maintaining the economic relations between the higher and lower levels is the correct way to break the barriers created between regions and departments and between higher and lower levels and to gradually establish a rational production distribution and economic network.

For the further development of the rural economic reform and the establishment of the urban and rural integrated economic network it is necessary to open the city gates wide. Under socialism commodity exchange relations exist between the urban and rural areas. In accordance with the law of value, we must use economic means to exercise urban leadership over the rural areas and promote the development of the urban and rural economy. While reforming the urban economic system, we must remove the barrier between regions and departments, between higher and lower levels, and between urban and rural areas, and strive to explore and establish a new type of relations between the urban and rural areas in which industry and agriculture help each other forward and the urban and rural areas are rationally combined, develop in coordination, and advance along the road to common prosperity. As a matter of fact, the rural reform in the past few years has provided rich and successful experience for urban reform. Meanwhile, the vigorous development of the rural commodity economy is breaking through the invisible barriers between the urban and rural areas. The rich harvests reaped successively have opened up a path for expanding urban and rural commodity exchanges, thus demanding we further exploit the urban and rural market and unclog the circulation channel. In the course of readjusting the rural production setup, various forms of urban and rural economic associations have emerged in light of the objective demand of mass production and large-scale economy. This has become a conspicuous new trend in China's economic life. With the large increase in agricultural labor productivity, large numbers of peasants have freed themselves from the land, engaged in industry and commerce, and run tertiary industries, thus accelerating the urbanization of the rural population. The vast numbers of peasants are gradually taking the road to prosperity and the agricultural production structure and rural consumption level and structure are effecting profound changes, which require cities to provide more marketable commodities. In the transformation from the traditional sufficient and semisufficient small peasant economy to the commodity economy and modern agriculture, the rural areas also require cities to provide more funds, information, technology, and talented people. All this requires opening the city gates wide, readjusting the urban and rural economic structure, and further developing economic relations between the urban and rural areas. With the deepgoing

development of the urban reform, an open and integrated urban and rural economic network will gradually be established and perfected.

Invigorating Enterprises Is the Fundamental Way for Cities To Perform Their Role

Invigorating enterprises, particularly the large and medium-sized state-run enterprises, is the key link in the reform of the economic structure, focused on the urban economy. The central role of a city and its radiating and attracting force over the surrounding areas are determined by its economic strength. Enterprises are the cells of the urban economy. In the course of urban reform, only by delegating power, simplifying administrative procedures, opening the city gates wide, and invigorating enterprises can we objectively foster the trend of attracting funds, expanding products, and developing economic relations among regions and enterprises and can the entire urban economy be full of vigor and vitality.

While making continuous efforts to invigorate the small enterprises in urban areas, we must regard it as a shock task to invigorate the large and medium-sized enterprises. Large and medium-sized enterprises occupy a decisive position in the national economy and shoulder heavy mandatory production tasks. However, they lack economic vitality and are rather inflexible. They occasionally cause appalling waste and their results are poor. In order to put an end to such a state of affairs, on the one hand, it is necessary to speed up the reform within enterprises, establish and perfect the responsibility system for operations and management, make the most of the talented people, technology, equipment, and information of the large and medium-sized enterprises, and rapidly effect the change from simple production to business and open-type enterprises; and on the other hand, the government at all levels should strengthen control over major issues, further delegate power and simplify administrative procedures, and vigorously create conditions to invigorate enterprises.

Urban governments should be more enlightened on the question of delegating power. They should first start from themselves and delegate power to enterprises as quickly as possible. Giving full play to the central role of cities is a major reform of the economic management system rather than simply transferring the power of the departments and regions to cities. In order to prevent new barriers being set up between regions and enterprises and avoid enterprises from being subsidiary bodies of administrative organs, the municipal governments should actively explore new methods and patterns of management and economic activities under the principle of separating government administration from enterprise management. It is necessary to use economic levers to guide enterprises, use economic laws to manage enterprises, and better serve enterprises rather than rely on administrative departments and use administrative means to directly command enterprises and meddle in enterprise affairs.

In the course of reform, the departments of the municipal government in charge of economic affairs should adopt the method of first transforming their management functions and then cutting down and merging the organs. At

present the interception of enterprise decisionmaking power still exists in varying degrees. The decisionmaking power of enterprises is mainly intercepted by the companies that are organized according to administrative relations and that perform the functions of administrative management. The urban governments should step up the readjustment and consolidation of all kinds of administrative companies. Some can be turned into service companies, while others must be closed down resolutely. Chongqing city has applied the method of democratic appraisal to consolidate the industrial companies. The enterprises under various companies held workers' congresses to discuss and determine whether the companies should continue to exist. Meanwhile, the companies changed the method of "taking back power and exacting charges" and established equal and partnership relations of "exchange at equal value and offering services based on remuneration" with enterprises. As a result, the companies changed from an administrative level in the vertical structure to a link in horizontal relations and most of the companies became service companies carrying out joint operations and technological exploitation, training talented people, and offering information and consultation services.

In order to give full play to the central role of cities and invigorate enterprises, it is necessary to adopt measures to further break through the barriers between departments and regions and between higher and lower levels. Apart from a small number of departments and trades which are exceptional cases, the government at all levels must not be allowed to directly engage in enterprise operations and management. While the scope of mandatory planning is gradually reduced, most of the enterprises will be vested with the power to directly do business with other units and organizations. Meanwhile, regulatory taxes will be reduced in a planned manner for the large enterprises which can produce better economic results but retain few profits so as to invigorate the enterprises.

Build Cities Into Open-Type Centers for Carrying Out Modern Economic Activities

Thanks to the implementation of the policy of opening to the outside world and enlivening the domestic economy since the 3d Plenary Session of the 11th CPC Central Committee, economic exchanges in materials, commodities, funds, technology, talented people, and information and production cooperation have been brisk and there has been remarkable headway in the economic relations between enterprises, between urban and rural areas, and between different regions. This is an important reason why China's economy has radiated vitality in recent years. However, the barriers created between regions and departments and between the higher and lower levels and the defects in the existing system have not been fundamentally eliminated. The practices of each going his own way and protecting backwardness still exist. Therefore, it is necessary to open the door wider, develop economic contacts between the urban and rural areas and between different regions, and use the open-door policy to stimulate competition and cooperation and to accelerate the rational readjustment of the economic structure.

While developing economic relations among regions and enterprises, it is necessary to allow and encourage the inflow of commodities from other parts of the country to local markets, to allow and encourage enterprises and peasants from other localities to run shops and do business in cities, and to allow and encourage local industrial and commercial enterprises to develop partnership and cooperation transcending trades and regions. In the course of reform, Wuhan city raised the following call: "Open the gates of the three towns wide" and "let enterprises face the world of market and brave the storm of competition." This was a decision of courage and resourcefulness. By allowing enterprises to struggle for existence and development and letting the customers test and judge which of the local products are superior, it will put pressure on enterprises and urge them to enhance technical transformation and improve operations and management. Meanwhile, it will also vest enterprises with decisionmaking power, thus giving them the opportunity to display their talents on the stage of market competition and realize a rational alignment of enterprises in accordance with the inherent law of the commodity economy. The economic relations among regions and enterprises in the production field should be developed with support from the cities' main industry and backbone factories, and famous brand products. Economic associations transcending trades, regions, and ownership systems should be established in accordance with the principle of voluntary participation, equality, and mutual benefit so as to promote the rational circulation and combination of funds, technology, and talented people. Cities should make more efforts to establish various forms of economic associations and to appropriately organize social productive forces. However, the method of guidance should be adopted instead of interference or undertaking everything. Since 1984 a number of enterprises in Shenyang, Nanjing, and Changzhou have established various forms of urban and rural integrated enterprise associations on the basis of voluntary participation and mutual benefit. These enterprise associations promoted the division of labor among specialized departments and expanded partnership and cooperation between urban and rural areas, between the army and the people, between industry and commerce, and between scientific research units and productive enterprises. This is a new form of rational organization of enterprise productive forces as well as a new breakthrough in industrial reorganization and cooperation. From now on the economic associations should stress various exploitation undertakings, such as jointly exploiting energy, communications, new industries, and new products. It is particularly necessary to take note of carrying out cooperation between the developed areas in the east and the economically underdeveloped areas in the west, make full use of each other's advantages, learn from each other's strong points to make up for each other's deficiencies, and jointly push their economies forward.

In developing a planned commodity economy, it is necessary to establish a new circulation network that criss-crosses in all directions, with the focus on cities, and to set up an open and developed socialist market. At present all cities should establish unified commodity markets in a planned and step by step manner as well as vigorously open financial, technological, and labor service markets and set up centers for exchanging talented people and information. Once these markets are rationally coordinated, the cities will be able to fully perform their various functions. With regard to the

commodity market, apart from continuously consolidating and perfecting the various types of trading centers for industrial consumer goods and farm and sideline products, it is necessary to further open the market for the means of production and to establish and perfect the trading centers for the means of production. Under the conditions of ensuring the mandatory quotas assigned by the state, the cities should put more means of production directly in the market and use price levers to gradually try out the new material supply system. With regard to the financial market, it is necessary to allow enterprises to make investments and do business transcending trades and regions, extend the scope of the banks' credit business, accelerate the circulation of funds among regions and enterprises, and draw funds to the places where they are badly needed and where better economic results can be attained. With regard to the technological market, it is necessary to develop various forms of technical trade activities, such as technical contracts, technical consultation, technical services, and transfer of technology based on remuneration, speed up the process of applying scientific research achievements to production, and promote technological progress.

Perform the Comprehensive Service Functions of Cities and Provide a Fine Economic Environment for Enterprises' Production and Management Activities

In order to give full play to the central role of cities, it is necessary to duly extend the power of cities in managing the economy. The State Council has approved seven large cities including Chongqing, Wuhan, Shenyang, Dalian, Harbin, Xian, and Guangzhou to enjoy the power of managing the economy similar to the provincial level and independently draft their respective plans. Some provinces and autonomous regions have also vested the cities carrying out comprehensive reform experiments with the powers of management, examination, and approval of departments and bureaus at the provincial level. The problem at present is that the large and medium-sized cities should, in the course of reform, vigorously carry out work within the limits of their authority. The economic functions of a city should be differentiated from the function of a municipal government in managing the economy. As an administrative management organ of the state at a certain level, a municipal government should shift the focus of its functions onto drafting development plans, strengthening guidance on policies, doing coordination well, and conducting inspections. In addition, a municipal government should do various undertakings well and create a fine economic environment for invigorating enterprises and enlivening the economy. Urban work and the economic activities of a city should not be restricted to that city alone, but should be extended to the entire economic zone. The comrades of all cities should foster new ideas in their work and blaze new trails.

The ongoing reform of the urban economic system is a multifactor and multi-level systematic project. The municipal governments should take note of the coordination of various reforms as well as the integration of reform with the urban economic development strategy. As each city has its own advantages and characteristics, when talking about giving full play to the central role of cities, we cannot expect all cities to become integrated economic centers that are "large and comprehensive" and "small but complete." Instead of following one same pattern, all cities should possess their respective

characteristics, give prominence to their strong points, and complement each other. While drafting an urban economic development strategic plan, we must take into account the basic conditions such as resources, energy, and communications as well as the advantages and the needs and possibility of internal and external exchanges so that the cities can appropriately perform their functions, give full play to their role of organizing the economy, and promote the economic development of the surrounding areas.

Because we neglected the rational proportion between "bone" and "flesh" in construction for over a long period, the basic facilities and services of the cities were far from the needs of economic development, which reduced the social economic results, lowered the people's living standards, and seriously affected the functions of the cities. Therefore, the cities are also confronted with the question of readjusting the production structure. One of the vital tasks of the municipal governments is to adopt preferential economic policies, attract investment from all quarters, and use local financial resources to accelerate the construction and transformation of the basic facilities such as highways, communications, and electricity and water supply, vigorously develop the tertiary industry including technical consultation, training of talented people, information, investigation and forecasting, and other service undertakings, enhance the attracting and radiating force of cities, and serve the entire economic zone. When assessing a city's work in the future, we must judge from its radiation intensity and coverage and regard its GNP, including tertiary industry, as its main target. Since 1984 Wuhan city has made use of its favorable geographical conditions and existing facilities and allied the forces of all fields to run communications. With the participation of 13 cities and businesses extending to 11 provinces, Wuhan established a "general Changjiang transport company" and other communications and transport enterprises. Their experience can be used as a reference for the whole nation.

In the course of the reform of the economic structure, with the focus on the urban economy, so long as we unswervingly implement the correct principles and policies of the CPC Central Committee and State Council, we will certainly be able to break with the closed-door, separatist, and rigid old patterns, gradually turn our cities into open, multifunctional, socialized, and modernized economic centers and promote the healthy development of the national economy.

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A TENTATIVE DISCOURSE ON MANUFACTURED GOODS TRADE CENTERS

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[Article by Wan Dianwu [3001 0368 2976]]

[Text] During the past year or so, initiated by Chongqing, Wuhan, and other cities, and encouraged by the relevant leading departments, a number of manufactured goods trade centers have been set up in various areas all over our country. I will give a tentative discourse here on problems related to the nature, role, and developmental prospects of manufactured goods trade centers.

I. The Nature and Characteristics of Manufactured Goods Trade Centers

At present our country's manufactured goods trade centers are in an experimental stage. There are mainly the following three practices: running the centers as wholesalers, running them as economic entities that do business as well as provide services, and running them as service enterprises that provide trade sites. Judging by the operation of foreign manufactured goods trade centers and the actual results of our country's experiments in running these centers, a manufactured goods trade center should be a site of wholesale trade where we can fully apply the regulation of market mechanisms. It is a special economic organization in the multilayer wholesale network that has been developed by our key cities. Generally speaking, it should have the characteristics of being open to all, providing services, being operated flexibly, and being able to attract people to do business there.

Being open to all is a major characteristic of our manufactured goods centers. This characteristic is particularly notable in our country's current manufactured goods wholesale system. Our country's current manufactured goods wholesale system, which mainly consists of first-, second-, and third-grade wholesale firms, regards monopolized allocation and distribution of goods as its major method of operation. The trade centers are set up in order to overcome this malpractice. They advocate open and free trade between many buyers and sellers. By so doing, they have broken the old practice of allocating and distributing goods level by level within a closed system. Trade centers impose no restrictions on its participants' line of trade, departments, areas, or ownership, and all the participants are equal commodity producers and operators. They provide sites for the open contact,

negotiations, and competition between industry and commerce, among industrial enterprises, and among commercial enterprises. Industrial enterprises and commercial enterprises can voluntarily establish long-term stable supply and purchase relations for mutual benefit. They can also select buyers and sellers at will on their own in the trade centers. As a result, "there are places for buyers to get goods and places for sellers to sell goods." For our industrial enterprises, if they produce products with low prices and fine quality, they will find a smooth and stable outlet for their goods; if their products have high prices and low quality, they will find no buyers. For wholesale commercial enterprises, if they are competent in doing their jobs, they will find it easy to do business and find many friends in the trade centers; if they are incompetent and lazy, their business will shrink and they will even suffer losses and be forced to close down because they will no longer be able to get by on administrative orders or live with a situation of supply shortages and the practice of "eating out of the same big pot." In short, in a trade center, factories, wholesalers, and industrial and commercial enterprises compete with one another. The superior ones succeed and the inferior ones do not. The purchase and sales activities of all these firms are governed by objective economic laws. As a result, a relatively rational economic management method will take shape. In our country's current economic work, in order to understand the open nature of our trade centers, we should pay particular attention to the question of whether there are diverse sellers; in other words, to whether the industrial and commercial enterprises in various different areas are allowed to compete with one another in selling goods in the centers. An ordinary wholesaler who formerly operated as a sole supplier was faced with diverse buyers. If there are not diverse sellers dealing in the same kinds of products in a trade center, the trade center will be devoid of its essential characteristic and will not be much different from an ordinary wholesale enterprise.

Providing service is a major aspect differentiating trade centers from wholesale enterprises. To overcome the original wholesale enterprises' shortcoming of merely providing supplies of goods but neglecting to provide services, trade centers should fully exploit their functions of providing board, lodging, telecommunications facilities, information, transport facilities, and warehouse facilities, and thus better serve many industrial and commercial enterprises. The more satisfactorily these functions are brought into play, the better our trade centers can attract customers and the greater the area on which their trade activities will have an impact. They will really become "centers" where hundreds and thousands of business firms gather and where business prospers. Our country's trade centers have as of now only been initially established, and they seriously lack trade sites, warehouses, transport facilities, hotels, telecommunication facilities, and other facilities. They should gradually create conditions for providing multifunctional services. Of course, this does not mean that we should return to the beaten path of trying to make our enterprises "big and all-inclusive." Our trade centers can invite banks, post and telecommunications offices, and transport companies to do business inside the centers and can also conduct "joint ventures" with hotels, restaurants, and other service enterprises and thus carry out a division of labor between them and the service enterprises and

cooperate with these enterprises. Except for a small number of manufactured goods trade centers that have been set up by local industrial and commercial bureaus and that provide some services, all other manufactured goods trade centers that have been set up by commercial or industrial departments are focusing on doing business while neglecting providing services. Some of them even focus solely on doing business and do not provide any services at all. We should gradually change this. Under the prerequisite of continuing to regard providing services as the major aspect of their work, at their discretion, our trade centers can also conduct some undertakings of their own or some undertakings to exploit resources that facilitate both production and marketing. However, we should prevent this secondary function from superseding the primary functions; in other words, we should prevent the practice of trade centers paying excessive attention to and allocating too much labor and financial resources to their undertakings in order that our trade centers will not deviate from their original goal and in order that these undertakings will not make it hard for trade centers to deal with all their customers equally.

Being operated flexibly is another characteristic that our manufactured goods trade centers must have. This mainly means that the prices, pricing methods, management methods, and the kinds of services they provide should be flexible and diverse. Among these, the most important is that prices be flexible; in other words, they should fully apply the price lever to regulate relations between supply and demand and allow prices to fluctuate upward or downward in light of the market situation. They should adopt flexible pricing methods, including the methods of allowing quantity discounts, seasonal fluctuation of prices, different prices for the same kind of goods with different quality or with different designs, preferential prices, and floating prices. They should be the concentrated sites for the implementation of the regulation of market mechanisms in the manufactured goods wholesale trade. The nucleus of the regulation of market mechanisms is regulation by prices; in other words, the regulation of the relations between supply and demand by following the law of value and applying the price lever. By so doing they will reflect the contradictions between supply and demand in our market, guide production by market information, promote circulation, and guide consumption. If prices are fixed in our manufactured goods trade centers, it will be very hard for them to apply the regulation of market mechanisms. At present our agricultural and sideline products wholesale market and trade centers are prosperous, but business is slack in some of our manufactured goods trade centers. In addition to their failure to pay attention to exploiting resources and providing services, the lack of flexibility in prices is often a reason for their slack business. At present, as we are not provided with certain conditions, we can first only allow those commodities for which prices are allowed to freely fluctuate up or down to enter our manufactured goods trade centers. Moreover, our state-run wholesale commercial sector should handle commodities at relatively rational prices in our manufactured goods trade centers and thus regulate relations between supply and demand, keep prices down, stabilize the market, and play a dominant role.

Being able to attract people to do business is an essential characteristic without which a trade center cannot be regarded as a "center." A trade

center should be a site for wholesale trade which has relatively great attraction and a relatively large area of influence. It is a site to perform the function of a central hub in the collection and distribution of goods and is not only a general showcase for the city's products, but is also a place where the products of other areas are available. All the economic phenomena such as market information, commodity information, and the trends of relations between supply and demand converge in trade centers. The vast number of industrial and commercial enterprises should look at trade centers for this information. In Japan, the United States, and other countries where commodity economy is highly developed, there are only a few trade centers for the whole country. These have a strong attraction for business, are well known, and have a far-reaching impact. If there are nearly 100 manufactured goods trade centers in a city or if any particular firm is allowed to put up the signboard of a trade center, then there is no "center" at all.

II. Functions of Manufactured Goods Trade Centers

A manufactured goods trade center should play the following roles:

1. It should be an open site for wholesale trade which facilitates the full application of the regulation of market mechanisms, the enlivening of circulation, the adjustment of the relations between supply and demand, and the giving of guidance to production and consumption.
2. It should provide a site for a factory to conduct direct trade talks, transactions or competition with many other factories, for a wholesaler to do so with many other wholesalers, and for an industrial enterprise to do so with many commercial enterprises, and vice versa. This facilitates the selection by an industrial enterprise of the best method to market its products and by a wholesaler of cheap and fine quality commodities to purchase, and is thus conducive to improving product quality. It thus promotes a rational division of labor and cooperation in production and marketing between industry and commerce.
3. It should be conducive to the development of wholesale trade from casual, bilateral, and dispersed transactions to open, multilateral, and converged transactions and from allocation and distribution level by level to free purchases and sales. This thus facilitates the gradual shaping of a relatively rational economic linking of circulation, the shortening of the circulation period, the reduction of circulation expense, and the improvement of social economic results.
4. It should facilitate the formation, flow, collection, and spread of market information and provide multifunctional services such as purchasing, marketing, storage, and transport services, post and telecommunications services, banking services, the provision of board and lodging, and service as an agent to hold trade and supply fairs.

For over a year, the manufactured goods trade centers throughout our country have done a large amount of work and have basically worked in this direction

in order to play the above roles. What we should particularly mention is that the manufactured goods trade centers in various areas are continuously probing and making experiments into diverse forms and methods in order to break away from the old patterns of industrial wholesale systems and are thus making vigorous attempts to establish a new manufactured goods wholesale system. We can say that the establishment of manufactured goods trade centers is aimed at making a breakthrough in the reform of our manufactured goods wholesale system. By allowing the industrial and commercial enterprises of all areas and departments to buy and sell manufactured goods there, our trade centers have broken the monopoly by the state-run wholesale commercial sector over the wholesale of manufactured goods. By allowing customers from everywhere, including wholesalers, retailers, and industrial enterprises, to freely select buyers or sellers there, our manufactured goods trade centers have broken the system of conducting wholesale and retail trade in line with the division of three grades of wholesalers. In our manufactured goods trade centers, the various buyers and the various sellers meet to hold trade talks and conduct transactions freely, and have thus changed the old method of bilateral trade and single-line and level-by-level distribution of commodities. Pricing is relatively flexible, and prices are set through negotiations and in light of the purchase quantities. These centers thus break the old practice of giving a fixed discount on fixed prices. These centers enable transactions to be made relatively satisfactorily and quickly and are also able to provide all-round services. This has broken the traditional management method of state-run wholesalers who pay attention only to the supply of goods and neglect services. Trade centers vary in the depth and width of the breakthroughs they have made in these spheres, but they have broken the stagnant situation. In various areas, the original manufactured goods wholesale enterprises have begun to imitate the practices of these centers and made different degrees of improvement in many aspects. Of course, the improvement of the manufactured goods wholesale centers themselves is different from the establishment of manufactured goods trade centers. We should not regard improving wholesale enterprises as establishing trade centers nor should we belittle the effective methods that they have copied from trade centers.

III. Who Is Relatively Suitable for Operating Manufactured Goods Trade Centers

Manufactured goods trade centers in our country are operated by a variety of units. There is basically the following: First, some manufactured goods trade centers are run by local governments or industrial and commercial administrative bureaus. In general, these centers are service centers and are participated in by both industrial and commercial enterprises, in particular by a relatively large number of local industrial enterprises. There are mainly diverse buyers and diverse sellers in these centers. Second, some trade centers are operated by commercial, industrial, material, and other departments. Most of the existing manufactured goods trade centers are in this category. Many of these centers deal in trade or deal both in trade and providing services, and in these centers it is difficult to have many sellers. Third, some centers are jointly established by several units or by collective enterprises. Generally speaking, these centers are void of the characteristics of trade centers.

In foreign countries, manufactured goods trade centers and other markets like these centers are generally established by local city governments. Judging by the initial experiences gained in the practice in our country, the trade centers established by city governments are relatively better able to attract various industrial and commercial units to conduct trade there. This is because a manufactured goods trade center is an urban manufactured goods wholesale center and a public service facility. Therefore, the city government should shoulder the major responsibility for establishing and running this center or lead and organize relevant departments to pool funds to establish and run it. After its establishment, it will operate as service enterprise that is an independent accounting unit, it can be managed by a manager appointed by the board of directors formed by the units that have invested in the center, and it will collect rent to defray its management expenditure and to repay the investment.

If each department sets up and runs a trade center of its own, there will unavoidably be some shortcomings. A relatively notable shortcoming is that such a center will be apt to give rise to a new monopoly. As a result, the center established by a commercial department becomes merely a wholesale department of the wholesale enterprises under the department and that established by an industrial department becomes merely a joint marketing organization for all the factories under the department. In both cases, it is difficult to have diverse sellers in these trade centers. What is even worse is that such a center will restrict, control, and interfere with the normal transactions of other members and thus become an exclusive center that follows that beaten path of exercising a monopoly over trade. The practice of one department establishing a manufactured goods trade center will also give rise to duplicated construction and a waste of funds. Often this center is of poor quality and it is difficult for it to provide advanced and multifunctional services.

For a key city, the best way to make preparations for the establishment of a trade center is for the city government to make unified plans for this work, conscientiously give guidance for making the center a public facility, raise funds from all sectors, and thus set up a trade site with modern facilities. As for the trade centers that have already been established by various departments, the city government should lay particular stress on the necessity of opening the centers to all and having diverse sellers in a center. Moreover, like the governments in Wuhan and other cities, the governments of the key cities should clearly draw up regulations on trade centers and reorganize the existing trade centers in strict accordance with these regulations in order to eliminate the practice of setting up trade centers just to fill a quota. The city governments should take acts to concentrate labor, material, and financial resources on conscientiously and satisfactorily running the trade centers that are trade centers in reality as well as in name, that are provided with relatively satisfactory conditions, and that have prospects for development judging by their communications and transport facilities, sites, influx of customers, and other conditions. After separating government administration from enterprise management, the new government commercial departments of the cities should regard as one of their major duties the satisfactory establishment and management of the manufactured goods trade centers.

IV. Developmental Prospects of Manufactured Goods Trade Centers

In addition to the criticism of manufactured goods trade centers based on force of habit and on traditional ideas and the unconscious undermining of trade centers' reputations by those who pursue formalism, some comrades are raising doubts about the objective grounds for the emergence of trade centers and are worrying about their developmental prospects.

We think that there is an objective economic basis for the establishment of manufactured goods trade centers in our country and there are prospects for their development. During the initial period of the establishment of these centers, there were some areas that committed the mistake of pursuing formalism and blindly following trends, but trade centers are indeed the objective outcome of our economic development.

First, they are demanded by the development of the commodity economy. Since the 3d Plenary Session of the 11th CPC Central Committee, our country has entered a new stage of economic development, commodity production has greatly developed, and the shortage of supplies of commodities on our market has been eased. Our light industrial production has developed quickly, the quantities of products have gradually increased, and new varieties of products have continuously appeared. Among the producers, there are not only state and local state-run factories and collective factories, but also a large number of township and town enterprises and rural family handicraft firms. Among the trade firms, there are both state and collective firms and individual traders. Therefore, there is a demand for a highly efficient wholesale commercial sector with diverse channels and diverse forms to serve production. In particular, it is desired for there to be open sites for wholesale trade that serve all kinds of industrial and commercial enterprises. In addition to the demand by ordinary industrial and commercial enterprises, in the future, as international bartering trade develops, as more commodities for exports are entering the domestic market, and as defense industry enterprises develop civil production, there will be an urgent demand for public trade sites.

Second, these centers are the outcome of the application of market mechanisms. In the spring of 1979, the CPC Central Committee decided to attach importance to the application of the regulation by market mechanisms in our economic management and put forth the principle of combining the regulation of planning with that of market mechanisms. In 1984, the "Decision of the CPC Central Committee on the Reform of the Economic Structure" summed up the experiences gained in the previous years and then affirmed that our socialist economy is a planned commodity economy. In order to fully use the role of the law of value, the law of supply and demand, and the law of competition in readjusting relations between supply and demands, linking production with marketing, and guiding production and consumption, we urgently demand that there be trade sites that are open to all where people can carry out trade freely, where prices are flexibly determined, and where there are diverse buyers and sellers. The original bilateral, closed, and distributional manufactured goods wholesale system is increasingly detrimental to the full application of market mechanisms.

Third, these centers are needed for giving play to the role of key cities. Since the reform, all the industrial and commercial enterprises whose decisionmaking power has been expanded have become relatively independent commodity producers and operators and the complicated economic relations between hundreds and thousands of industrial and commercial enterprises have developed in a widespread manner. Amid their difficulties in finding buyers and sellers, they have to send out millions of salesmen and buyers to conduct single-line, casual, nonpublic, costly, and inefficient commodity exchanges. They urgently demand that there be public sites for trade, and particularly hope that the wholesale sector which links industry and commerce should be strengthened. They demand that trade be done in the open and in a multi-lateral and highly efficient manner. Therefore, the establishment of manufactured goods trade centers in the key cities where there is a certain industrial foundation and which have relatively large areas of influence have precisely created conditions for putting an end to the backward exchange method of sending salesmen and buyers everywhere. They provide public sites for many enterprises to carry out commodity exchange with greater, quicker, better, and more economical results, and they lay a foundation for the gradual development in the future of modern wholesale trade sites which have quick access to information, modern storage and transport facilities, and diverse functions.

We can expect that as our planned commodity economy develops and as our economic structural reform is gradually carried out, the above objective demand for manufactured goods trade centers will become increasingly urgent. Our departments concerned should strengthen their leadership, conscientiously support these centers, and thus enable the manufactured goods trade centers in our country to operate increasingly satisfactorily.

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YUGOSLAVIA'S CONTRIBUTIONS TO THE DEFEAT OF FASCISM

Beijing RED FLAG in Chinese No 14, 16 Jul 85 pp 26-29

[Article by G. Jovicic, member of the Presidium of the League of Communists of Yugoslavia and president of the Committee of the League of Communists Organization in the Yugoslav People's Army--translated from Yugoslav by Yang Yuanke [2799 0337 1870] and Chao Rongfen [1560 5554 5358]]

[Text] The year 1985 marks the 40th anniversary of the end of World War II and the victory over fascism. In commemorating this anniversary of historic significance, the people of all nationalities in Yugoslavia reflect with admiration on the contributions made by the Chinese people and the great victory won in their protracted war against the Japanese aggressors.

Despite the fact that our two countries are thousands of miles apart, the peoples of the two countries experienced similar histories in the bitter struggle against fascism. The CPC and the Communist Party of Yugoslavia, as well as the armed forces under their leadership, stood at the forefront in the struggle against fascist aggressors. The victories for each were the result of their own work and self-reliance, guerrilla warfare, and close link with their peoples. In regard to the great significance of their victories, both China and Yugoslavia took a strong stance and played a remarkable role in the alliance against Hitler, and both made tremendous contributions to the common cause of overcoming fascism.

For many people of the contemporary generation, this victory is just an event in history. However, this solemn day will make us remember this victory once more. We will reevaluate how this cruel war which took the lives of close to 50 million people and caused great material losses has defended the freedom, independence, and progress of mankind.

As is known to the Chinese people, prewar Yugoslavia was an underdeveloped multinationality country which had social and nationality problems seemingly beyond solution. It faced a domestic political struggle, and carried out continuous prosecution of the workers movement and all progressive movements. It was beyond the bourgeois monarchical authorities of old Yugoslavia to understand and eliminate the ever-growing danger of fascism.

Contrary to the position and actions of the ruling forces and their moves to curry favor and to collude with fascism, the Communist Party of Yugoslavia had from the very beginning carried out resolute and thorough antifascist struggles.

Back in 1934, Edward Carder published the book "Fascism," in which he exposed the concepts of fascism and pointed out the necessity of fighting it. In 1935, the Communist Party of Yugoslavia issued the warning: "Fascism is our chief enemy," and the policy of linking Yugoslavia with fascism was "a dangerous road of war adventure."

With the deepening in the understanding of the essence and scope of the fascist danger, the Communist Party of Yugoslavia started to organize and to lead widespread political actions against fascism, and built a people's front to defend the country and guard against the fascist danger. With the participation of Yugoslav volunteers in the struggle to safeguard the Spanish Republic, the establishment of the volunteers to safeguard Czechoslovakia, and many other actions, the sentiments and determination of the Yugoslav communists in standing by the antifascist fighters to fight fascism were demonstrated.

Nazi Germany launched sudden attacks toward the end of 1940, conquering a series of European countries with ease. But when its plan for a rapid destruction of British resistance failed, it turned its war machine against the east and decided to attack the USSR. In the eyes of Hitlerian elements, Yugoslavia would serve very well as a base to ensure safety for the two wings of Germany, and would act as its rear while attacking the USSR rendering service for the supply and rest of the German Army. Yugoslavia would also provide them with the shortest route to the Mediterranean and the North African battlefields. Hitler thought that Yugoslavia would not be a serious barrier in fulfilling these plans, and that it would easily come under control of the Axis powers through diplomatic talks.

The Yugoslav Government wavered for a while, and then signed a treaty on joining the alliance linking Germany, Italy, and Japan despite no previous knowledge of the people. The people of all nationalities in Yugoslavia protested against this action, regarding it as shameful treason, and expressed their strong indignation in demonstrations. Antifascist sentiments and determination to strive for the national independence of Yugoslav communists and all progressive forces was expressed in all parts of the country. Thousands upon thousands of people in nearly all the cities of the country took to the streets, shouting such slogans as "Better war than the treaty" and "Death before surrender." This led to the fall of the government on 27 March.

These incidents in Yugoslavia in the spring of 1941 dealt heavy blows to the Axis powers. In his European conquest, Hitler had so far never met with such a resolute resistance from a people so united. His plan was thoroughly upset. He did not think that there was any place that would be unreliable in the rear of the future front between the Baltic and the Black Sea. Therefore, he decided to take powerful action against Yugoslavia. In order to conduct a

campaign to "stabilize" Yugoslavia, Hitler had to postpone a series of important strategic actions on other battlefields. He had to alter his plan for an immediate attack on Greece. His attack on the USSR had to be delayed by 6 weeks. This incident was of important significance. It had initial but far-reaching consequences on the common struggle against fascist aggression.

Hitler launched an attack on Yugoslavia without declaring war on 6 April 1941. The Yugoslav Army failed to resist because of the capitulation and betrayal of the Yugoslav authorities and military leadership at that time. An unconditional surrender was signed only 10 days after the attack. Yugoslavia had met with military defeat and surrender. However, this was by no means the defeat and surrender of the people of all nationalities of Yugoslavia, but of the bourgeoisie in power and the authorities at that time.

In those days of defeat and utter confusion when enemy troops invaded Yugoslavia from all sides, the king and the government took refuge in a foreign country. Only the Communist Party of Yugoslavia was loyal to the people. Ideological and political maturity and organizational firmness enabled the Communist Party of Yugoslavia to be ready to deal with whatever would happen, and to react promptly and correctly. Since the first day of the German occupation, the Communist Party of Yugoslavia had accelerated political and military preparations for armed insurrection.

From the very beginning, the insurrection encompassed all people, liberation, and revolution. The masses were made to understand and participate in the insurrection, the aim of which included a struggle for national and social salvation and a better life in addition to the struggle for liberation from the occupation. As early as in April, in its letter to the people of all nationalities of Yugoslavia, the Central Committee of the Communist Party pointed out the prospects for a new Yugoslav community: "Out of this bloody imperialist war a new world will come into being, and a free, fraternal big family will be set up on the basis of the genuine independence of the people of all nationalities of Yugoslavia." This was also a decisive factor in mobilizing the people's liberation war in addition to freedom-loving, antifascist, and patriotic ideas.

The Communist Party of Yugoslavia and Comrade Tito clearly expressed the people's yearn for freedom and demand for revolution, and launched the war of liberation and socialist revolution of the people of all nationalities of Yugoslavia on 4 July 1941.

The all-people nature and revolutionary target of the struggle for liberation required corresponding military organization, strategy, and tactics. The Communist Party of Yugoslavia and Comrade Tito advocated the concept of genuine guerrilla warfare. In this war, guerrilla warfare ignited the fire of armed insurrection on a mass basis. It then gradually developed into a protracted all-people war of liberation.

The concept of an all-people war, the originality of using guerrilla tactics and establishing guerrilla organizations, and the prospects of inevitable

victory were seen in the early attacks against the occupation. Under the all-round support of the people and participation of the masses, the guerrillas adopted the tactics of rapid surprise attacks, continuous harassment, and ambushes, and liberated 40 cities in 1941. Liberated areas were set up in various parts of the country. In these areas, the old governments were demolished and new governments in the form of People's Liberation Committees were set up. In the occupied areas, the guerrillas, together with the people, destroyed military installations, factory equipment, roads, and all that rendered service to the enemy. There was no peaceful place for the occupation army and the renegades.

Even the most cruel atrocities of the enemy could not stop the rising insurrection. Tito's concept of gradually turning armed struggles into a defensive war of the entire people became a reality.

At the initial stage of the war, the accomplishments of the people of all nationalities of Yugoslavia without any external aid and support were of particular international military and political significance. Hitler met with strong resistance in a country where he had least expected to find it. He had altered his plans and directed his forces on Yugoslavia, which resulted in a protracted war. Toward the end of 1941, about 80,000 Yugoslav armed men pinned down 6 German divisions, 16 Italian divisions, 5 Bulgarian divisions, 2 Hungarian divisions, and 8 renegade Yugoslav divisions, a total of 600,000 men, of which many divisions were military forces needed on other battlefields. For example, they planned to transfer some of their troops from Yugoslavia; however, it was not possible to withdraw a single division to join in the newly established Italian 8th Army, which was destined for the USSR battlefield. Meanwhile, because of the war on the Yugoslav territory, the Italian 8th Army was compelled to change its marching route, thus greatly delaying the time of its arrival on the Soviet battlefield.

Not only was it impossible for the enemy to transfer its forces from the battlefield in Yugoslavia, but they had to constantly transfer new forces from other battlefields to the Yugoslav battlefield because of their heavy losses. They transferred 5,000 German soldiers from Greece, 10,000 enemy soldiers from France, and in November 1941, the 113th Division from the Soviet-German battlefield.

On the other hand, the people's liberation war of Yugoslavia was an outstanding example for the European people under slavery-like conditions, because fascism was then at the height of its power. To many people, fascism was invincible. Many of them doubted the possibility of resisting fascism.

Bitter struggles continued in Yugoslavia when the war entered its second year. Through establishing proletarian military units--brigades, divisions, and army groups--the Yugoslav People's Liberation Army was established and developed both in quantity and quality. A unified liberated area of about 5 square kilometers was set up, which the Germans called "Tito's state." Toward the end of 1942, the Yugoslav battlefield pinned down an enemy force of 763,000 men. On Yugoslav territory, Italian forces alone exceeded the total number of German and Italian soldiers on the African battlefield.

The German and Italian armies suffered severe defeats in Stalingrad and North Africa. When the Allied forces landed on Sicily, the Yugoslav battlefield became all the more important in all the Axis powers' plans in the Balkan and Mediterranean regions. The Axis powers regarded the Yugoslav battlefield as the key to the direct link between the Eastern front and the battlefield of the Allied powers on the southwest front. Therefore, during the first 6 months of 1943, the German Army launched two counterattacks on the Yugoslav People's Liberation Army. However, the 300,000 soldiers plunged into this campaign and won another victory through its two fiercest campaigns (the Neretva and Susac). The Yugoslav People's Liberation Army stood the most severe test and proved its combat effectiveness, primarily its high level of political consciousness and morality.

That was a victory won through self-reliance in strategy. This was because to that time, the Allied powers had not acknowledged or provided any help. Prior to that, there was a reliance on weaponry and equipment captured from the enemy or self-produced for our fight.

From the very beginning, the ever-growing armed actions and feats of army units were accompanied by corresponding democratic activities which unfolded in the creative form of the people's power. Its supreme expression was the Yugoslav Anti-Fascist People's Liberation Committee. A historic decision was adopted at its second session, which laid down the cornerstone for the Federal Republic of Yugoslavia based on the equality of all nationalities.

The Yugoslav People's Liberation Army finally grasped the strategic initiative and participated in the general offensive of the Allied powers in 1944, which was conducted on a still wider scope of territory. Half of Yugoslav territory was liberated and the victory of the people's liberation war was beyond doubt. Based on negotiation between Yugoslavia and the Supreme Command of the USSR, the Yugoslav and Soviet armies would liberate the eastern part of Serbia and Belgrade, the Yugoslav capital. Toward the end of the year, the Yugoslav People's Liberation Army launched an offensive and built a united front of strategic significance which was part of the encirclement of the Allied forces linking the Soviet forces in Hungary with the British and U.S. forces in Italy.

In early 1945, the Yugoslav People's Liberation Army underwent reorganization in order to thoroughly defeat the fascist forces on the Yugoslav battlefield. The Yugoslav Army was equipped with weaponry and equipment captured from the enemy or obtained from its alliance. It had around 800,000 soldiers and was technically trained. In the final struggle, this army successfully fulfilled its duty in liberating the country. Through its activities on the battlefield and at the enemy's rear, it smashed the fascist forces, came within 500 kilometers of the enemy rear, succeeded in severing the retreat of the fascist forces in only 40 days, encircled them, and compelled them to surrender on the territory of Yugoslavia.

In a war lasting 4 years, the Yugoslav people shed their blood and sacrificed their finest sons and daughters, and finally won victory. Yugoslavia lost 1.7 million lives altogether during the war; 1 out of 10 Yugoslavs

sacrificed his life, second only to the USSR and Poland in proportion. Some 305,000 soldiers sacrificed their lives and another 425,000 were wounded among the rank and file of the Yugoslav People's Liberation Army. Yugoslavia lost more soldiers during the war than others in the alliance. About 3.5 million Yugoslav people were thrown into POW and concentration camps or prisons and made to take part in forced labor. Almost 3.5 million people were deprived of their living quarters. All these are facts which cannot be blotted out at one stroke. They serve as proof of the price paid for freedom and independence, and of the contributions made to the complete victory over fascism.

The basic cause of the fact that the people of all nationalities of Yugoslavia were capable of waging such a large-scale and powerful heroic struggle was that they were determined to decide their own fate. In this struggle, we defended our freedom and independence, saw the bright prospects for the future and a new and just human relationship, and saw prospects for the equality of all nationalities. Victory means an end to the cruel struggle on the battlefield as well as a continuation of other struggles. It was the beginning of revolutionary transformation and restoration of the Yugoslav society and of socialist construction in a self-ruled and non-aligned Yugoslavia. This struggle has been carried on for exactly 4 decades now. The accomplishment and victories scored in this struggle have shown that all our efforts and sacrifices made in the war were worthwhile. We have defended our independence and sovereignty, developed and enriched the socialist self-rule system (which is the basic and integral social relation of our country), and consolidated the fraternal relationship, unity, and equality of all nationalities in our country.

The all-people defense and the social self-defense system is an inseparable component part and expression of the entire revolutionary victory of our country. This system is based on the idea and practical experiences of the people's liberation war, the essence of which is to put all material and human resources into defending the fruits of revolution in Yugoslavia. Within this realm, the armed forces--the Yugoslavia People's Army and local defense troops--are strengthened and developed in harmony. Under such a situation, if the enemy should dare invade the Federal Republic of Yugoslavia, they must take into account our army of 1 million men and the resistance power on the territory of Yugoslavia. Our understanding gained through the people's liberation war and its great victory have pushed us forward in defending our independence and freedom. This has become an inseparable part of the social essence of the people of all nationalities of Yugoslavia, which has filled us with pride, enabled us to draw inexhaustible strength for our defense, and strengthened our determination: We will live in peace and freedom on our own land.

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SPEECH DELIVERED AT THE INAUGURAL RECEPTION OF THE RED FLAG REPORTERS' OFFICE IN SHENZHEN

Beijing RED FLAG in Chinese No 14, 16 Jul 85 pp 30-31

["Excerpt" from a speech by Xiong Fu, RED FLAG editor in chief, at the reception in Shenzhen marking the opening of the local office for RED FLAG's reporters on 29 June]

[Text] The Shenzhen office for RED FLAG's reporters was officially established on 29 June and a reception was held at Shenzhen's Xiuwan Hotel to mark the occasion. Wang Renzhi, deputy editor in chief, presided over the reception. Xiong Fu, RED FLAG editor in chief, spoke first at the reception. Liang Xiang, secretary of the Shenzhen CPC Committee and Shenzhen mayor; Xu Jiatusheng, director of the XINHUA Hong Kong branch; and Yang Yingbin, member of the Guangdong Provincial CPC Committee Standing Committee, were also invited to deliver speeches at the reception. A total of more than 200 people attended the reception, including representatives from journalistic, publishing, and other circles in Shenzhen and Hong Kong, and representatives dispatched by all central journalistic units and some provinces and cities to Shenzhen. This is an excerpt from the speech delivered by Xiong Fu at the reception.

Why are we setting up a reporters' office in Shenzhen? Of course we are not just doing this for fun. As everybody knows, China is now adopting an open policy, and Shenzhen is the largest of its four special economic zones established according to the policy. Establishing special economic zones is an experiment of great significance in China, which aims at giving full play to the spirit of daring to reform and daring to blaze new trails and building special economic zones into a window for opening up to the outside world, a channel for bringing in foreign funds, and a place for bringing in and digesting advanced technology, advanced management methods, and advanced scientific knowledge. Properly running special zones not only is very important to speeding up China's socialist modernization, but also has a great impact on promoting reunification of the motherland. This has been proved by the practice of construction in special economic zones including Shenzhen.

Although the Shenzhen Special Economic Zone has been established for only 5 years, it has made remarkable achievements. In Shenzhen, which is politically stable and has good public order, the building of material civilization and spiritual civilization are developing simultaneously. Shenzhen is not yet economically prosperous, but it is improving the environment for economic development and foreign investment year by year, increasing economic development and cooperation projects with foreign enterprises year by year, and bringing in and digesting more and more advanced technology year by year. Shenzhen is also leading the country in carrying out reform of the economic system. As everybody knows, due to special policies and flexible measures adopted by us in the process of building special economic zones, many people have held different ideas from the very beginning. In our opinion, these different ideas have precisely indicated that the experiment in special economic zones has explored and provided us from one aspect with the experience of building socialism with Chinese characteristics. The construction in all the special economic zones, including Shenzhen, and the construction in the 14 open coastal cities and economic exploitation areas are all component parts of building socialism with Chinese characteristics. Take Shenzhen as an example. Just as Comrade Deng Xiaoping said: We allow some capitalism in adopting open policies. This serves as a supplement to socialist development and is beneficial to the development of socialist productive force. In Shenzhen, just as in Shanghai, it is allowed to bring in foreign capital, but only for practicing the socialist system, not the capitalist system. Bringing in foreign funds and cooperating with foreign enterprises in various forms in Shenzhen is totally different from the "one country, two systems" policy to be adopted in Hong Kong after its reunion with the motherland because in Shenzhen, except for some capitalist elements in economic systems, the political system, cultural system and the nature of the whole social ideology are socialist, not capitalist. It is clear that the experiment in the Shenzhen Special Economic Zone is giving some theoretical answers through practice to the problem concerning the great historical task of building socialism with Chinese characteristics. Genuine knowledge comes from practice. In this sense, the experience of the construction in the Shenzhen special zone is extremely valuable and has also opened up a road for us to study and probe into a series of important theoretical problems related to the building of socialism with Chinese characteristics. It can thus be said that special economic zones, including Shenzhen, are a base area for us to study and probe into scientific socialism.

RED FLAG is a theoretical magazine run by the CPC Central Committee and its tasks are to propagate and explain the party's principles and policies in the combination of theory and practice, and to give Marxist answers to problems arising in practical life, particularly problems related to the building of socialism with Chinese characteristics. We deeply know that this is a heavy duty and an arduous task. To perform this duty well, we must not only adhere to political and ideological loyalty, but must also have a genuine understanding of the real situation. However, both practically and theoretically, we, the editorial department of RED FLAG, lack a complete and genuine understanding of the experiments in special economic zones, including Shenzhen, including their successes and failures. This obviously does not suit the tasks with which RED FLAG is charged. By setting

up a reporters' office in Shenzhen, we wish to use Shenzhen as a base and the reporters' office as a basis, thus making it possible for the editorial department of RED FLAG to study and probe into a series of theoretical problems arising from the practice of the construction in special economic zones, together with practical and theoretical workers in all special zones including Shenzhen. The editorial committee of RED FLAG has made a decision that personnel of the editorial department should take turns conducting this important investigation and research work in the reporters' office. We sincerely hope that the vast number of practical and theoretical works in Shenzhen city will support and help us in doing this work and establish a close cooperative relationship with us. We also cherish the same expectation toward practical and theoretical workers in the Zhuhai, Shantou, and Xiamen special zones.

China is marching firmly and steadily toward its grand target: to reach the fairly well-off level by the end of the century, to be close to the level of a developed country by the time of the 100th anniversary of the founding of the PRC, and to build itself into a powerful and modernized socialist country. We are convinced that this great historical task can be fulfilled, and we are also convinced that the blossoms of socialist modernization will certainly bear rich fruits of the theory of scientific socialism. Of course, this is our desire only, and to meet the desire, just as to fulfill a great historical task, calls for more plowing and weeding by several generations of ambitious sons and daughters of the Chinese nation. What we are proud of is that we do the plowing and weeding, and the fruits go to our people, our country, and our party.

CSO: 4004/32

A 'SINGLE-PLANK BRIDGE' AND MANY AVENUES--NOTES ON EDUCATION

Beijing RED FLAG in Chinese No 14, 16 Jul 85 pp 32-33

[Article by Miao Zuobin [5379 0155 2430]]

[Text] Many students take examinations to enter university, but the number which can be accepted is small. The undue emphasis placed by schools on increasing the proportion of their students entering schools of a higher grade has elicited much discussion among the people. It has been vividly described as "an army of 10,000 vying to cross a single-plank bridge." Why has this situation arisen? The reasons are manifold:

1. Historical factors. During the "Cultural Revolution" there was mass criticism of the "two education systems and the two systems of labor" as they were said to be the "double mechanisms of the bourgeoisie." In order to thoroughly negate these systems, all specialized and technical middle schools were successively closed down. At the same time, large numbers of ordinary middle schools were blindly set up, without regard to conditions. Also, as universities were "hotbeds of revisionism" and "independent kingdoms of bourgeoisie rule," they were also closed down for a long time. Later, although some schools reopened, the number of students was very small. After the "gang of four" fell from power, universities began to recruit students in a unified way. Those middle school graduates who had been held back for up to 10 years and those who were just graduating all flowed into the tertiary institutes, with the result that for those several years, the number of students enrolled in universities was only 4 to 6 percent of the number of students graduating from middle schools.

2. After the 3d Plenary Session of the 11th CPC Central Committee, following the development of modernization, the state's needs in regard to the development of education and the training of skilled personnel grew increasingly great and more pressing. Only then did people begin to realize that modernization could not be achieved without skilled personnel and that trained personnel could not be gained unless education was developed. Developing education has already become a strategic focal point and necessary condition for carrying out modernization. However, how should education be developed, how should it be laid out and how should it be structured so that it can develop in a coordinated way together with economic and social development? People still lack a clear, overall understanding on this. Many

people have a lot of interest in tertiary education but do not have much understanding of middle-school vocational and technical education. For a certain period of time, middle-school vocational and technical education not only did not experience appropriate development, but actually went down-hill over succeeding years. It was only in 1983 that it began to revive. Thus, in terms of the structure of and overall arrangements for education, the major path is still primary school to middle school, middle school to university.

3. Our nation's economy has long been in a backward state, science and technology have remained undeveloped, and the level of production has been low. Although there were many modern production units, because of "leftist" ideological influence and the closed environment, their systems developed into ossified forms which could not accord with the demands made by the development of the productive forces. They did not pay attention to importation of advanced equipment or to product renewal and they did not stress economic results or productivity. Thus, they did not make the due demands on the educational and technical preparations made by their employees, and it was as if all that was needed was physical strength. It made no difference whether someone was educated and technically trained or not. At the same time, the outworn concept that one should scorn vocational and technical education still had a certain influence. Specialized schools as well as vocational schools are looked down on and it is believed that only second-rate and third-rate students enter these types of schools, and end up as workers or technicians. If one wishes to become a capable, outstanding, skilled person, one has to go to university. The universities everybody wants to go to are the full-time regular universities, as everybody who goes to these universities gets looked after by the state. If one wants to study, the only path is primary school to middle school to university. All education is geared to entering university. It is not only parents and students who have ideas such as this. Many schools also hold such beliefs. Some vocational middle schools are actively looking for ways to become colleges and colleges are thinking of ways to become regular universities. Also some schools call themselves vocational schools, but teach ordinary middle-school courses, as a way of providing the students a guarantee in the university entrance examinations. That many ordinary middle schools devote their energies to preparing students for university entrance examinations is a fact which has long been widely known.

4. The problem of the employment system. If one passes the examination and progresses to university, not only are study expenses paid for by the university, but in future, one will also be allocated work by the state. The saying, "Once one enters university, one becomes a member of the nation," extols the iron rice bowl. The remaining students, apart from a small number who at some time will replace their parents in their work units, all have to wait for employment or work out their own employment plans. This is the reason parents, students, and schools pay so much attention to the pursuit of a position in a university.

It is precisely for these reasons that the development of basic education has been lopsided, and that there has been a lack of balance between various

types of education. At the same time, this has affected the overall moral and intellectual development of primary and middle-school students. Also, because students are unwilling to enter vocational or technical schools, the problems of middle-school graduates having to wait for employment has become increasingly serious.

How are we to change this situation? In the last few years, all sides have been undertaking all sorts of exploration and experimentation. Experience has shown that if we only proceed from the negative aspects, then we will not be able to solve the problems of obstructed study avenues and the "single-plank bridge." We must pay attention to the positive aspects and, on the basis of raising understanding, broaden our outlook and fully recognize the demands made by economic construction on educational work. We must thoroughly change the situation where all middle-school students do is prepare to enter university. It is necessary on the basis of the needs of production departments, to do training work in various aspects, so as to change the "single-plank bridge" into many avenues, and broaden the roads of education. This is the correct way to resolve these problems, and is an important aspect in our present work of reforming education.

If we are to open up new channels, we need to adjust the structure of education. At the same time as striving to do well in ordinary education and in developing tertiary education, we must put much energy into developing vocational and technical education. We must do well in streaming the students at the middle-school stage. That is to say, after they graduate from primary schools, some students should go on to ordinary lower middle schools (in cities, the majority of the primary school graduates will enter lower middle school) and some should go on to vocational lower middle school. After graduating from the lower middle schools, some of the students should go to ordinary upper middle schools to prepare for entering university, while the majority should enter various types of vocational, technical, or specialized middle schools. Here they will receive vocational and technical education so as to be well-prepared for entering employment. As to graduates of the upper middle school, some should go to university and specialized tertiary colleges while others should undergo short vocational training courses and then proceed on to employment. So that the various types of vocational and technical schools are linked up with ordinary education, we must organize a complete, rational system and structure.

At present, an important link in the smooth implementation of educational reforms is the raising of people's understanding of vocational and technical education. At present, there is some work that can still be done without education or technology. However, as things develop, this will certainly not be the case in future. Today, in the face of the rapid development of the world's new technological revolution and as science and technology become increasingly important factors for developing the productive forces, the demands made on laborers in terms of scientific and cultural knowledge, and in terms of their technical level, are growing increasingly higher. If we do not pay attention to raising the educational and technical level of the work force, it will result in an inability to make full use of advanced equipment. When we speak of increasing the vitality of enterprises and

improving competitiveness in domestic and international markets, in both cases we must depend on workers having a good technical level. Otherwise, this will just be empty talk. Thus, the key to doing well in all facets of work is to grasp the development of both intellectual resources and vocational and technical education and to train and link up the various types of skilled personnel who are trained.

We must have a clear understanding of the skilled personnel required. Modernization requires skilled personnel in many fields and at different levels. Not only are high-level scientific and technical specialists and managers required. There is also a pressing need for hundreds of thousands of middle- and lower-level personnel, managers, and technicians who have received a good vocational and technical education, and also other urban and rural workers who have received good vocational training. All industries need outstanding skilled personnel, but all industries also produce outstanding skilled personnel. Of course, going to university and becoming a specialist is undoubtedly very important. However, there are those who have not gone to university but have worked hard at their posts, been able to make outstanding achievements, and have become skilled personnel in certain specialties. It should be said that the graduates of vocational middle schools, technical schools and other specialized schools are the mainstay of our production work. If we did not have this dynamic laboring and technical force in the first line of production, then advanced science and technology and advanced equipment could not become actual forces of production in the society. This looking lightly on vocational education is not only completely irrational but also very harmful. Some developed countries, on the basis of their own experiences, pay great attention to medium- and lower-level skilled personnel and to enthusiastically training technical workers. They see these workers as an important key in developing industrial technology and as a "secret weapon" in developing the economy. They pay much attention to the rational development of high-, medium-, and lower-level skilled personnel (the general ratio for production development is 2:3:5, some countries have the ratio 1:5:10). However, the ratio of our nation's high-, medium-, and lower-level skilled personnel is seriously distorted. According to statistics from 72 central departments, commissions, bureaus and corporations, the ratio in these units of assistant engineers and above, to technicians and similar positions was 1:0.67. If we do not take positive steps to change this situation, and simply put all our energy into expanding universities, the direct result will be that we will have to use some high-level scientific research personnel as technicians and tracers. They would be doing what graduates from a technical middle school could do. This would be a great waste. Only by changing this situation so that there is rational arrangement of skilled personnel of different standards and different levels, and the ratios between them are appropriate, will it be possible to bring into play the roles of skilled personnel at different levels. Thus, education must accord with economic construction not only in terms of scale and numbers but also in terms of levels and structures. Our aim in carrying out readjustment of the education structure and greatly developing vocational and technical education, is precisely intended to achieve this accord.

By encouraging and stressing middle-school level vocational and technical education, it does not mean that we can overlook, or relax in developing, tertiary education. It can be predicted that the number of students entering university will grow continually in future. In the present situation where our nation's financial resources are limited and it is not possible to quickly put more money into education, changing the single avenue and single bridge into many avenues is but one aspect of our work. We must also pay attention to broadening the educational avenues, fully motivate the enthusiasm of the various sides, the various departments and the various systems for developing education, and encourage collectives, individuals, and other social forces to engage in education and establish various types and various levels of schools, and by these means expand the capacity of the various educational avenues. This is an extremely important task ahead of us.

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STUDY THE PATTERNS OF THE ART OF DANCE, REVITALIZE NATIONALITY DANCE CULTURE

Beijing RED FLAG in Chinese No 14, 16 Jul 85 pp 34-36

[Article by Jia Zuoguang [6328 0155 0342]]

[Text] Our nation comprises many nationalities and the nationality folk dances are extremely rich and numerous. Since ancient times, the folk dances of the various nationalities have been closely bound up with the lives of the people. Because the modes of production and the lifestyles of the various nationalities are different, the dances of each nationality have their own styles and characteristics. Among the minority nationalities, dance is an art form which the people particularly enjoy watching.

These outstanding folk dances are the crystallization of the wisdom of the laboring people of each nationality in our country, are a precious legacy in terms of dance, and are also a very important component part of the many forms which constitute the art of dance today. Thus, an important question facing us in our cultural work today is how we are to preserve and develop these rich nationality folk dances.

After studying the statements of the leading comrades in regard to work in the art of dance, I was greatly enthused. The problems pointed out in the statements were precisely those problems which we in dancing circles have experienced in creation and performance and have been unable to resolve properly. The statements dialectically explained the function of the art of dance and pointed out that some dance programs suffered from the problems of oversimplification and generalization. They correctly put their finger on some basic problems which still exist in our guiding ideology when drawing on experiences and when creating.

In the 35 years since the founding of the PRC, our work has experienced a winding and difficult road. There have been many experiences gained and some lessons learned from failures.

The 1950's was a period of prosperity for the dance. Dancers of all nationalities carried out a vigorous campaign of going deep into life. They modestly learned from the people and took the folk artists as their teachers. This fervent life encouraged everybody and the exquisite folk dances drew the attention of all. At the same time, the "Chinese Association for Research

Into Dance," the "Chinese Nationality Folk Dance Collection Group" and other organizations were set up within a very short space of time. Work throughout the country on saving and preserving folk dances developed greatly. Apart from the publication of the first history of Chinese folk dance, "Investigations Into the Nation's Folk Dances," an even more pleasing occurrence was the adaption and arrangement of a large number of outstanding nationality dance works based on inherited nationality folk dance traditions. These included: the Han nationality's "Lotus Dance," "Red Silk Dance" and "Flower Drum Dance"; the Mongolian nationality's "Ordos Dance" and the "Milkmaid's Dance"; the Korean nationality's "Fan Dance" and "Water-Carrying Dance"; the Dai nationality's "Peacock Dance" and "Race to the Boats"; the Li nationality's "Third Day of the Third Moon" and "Bamboo-Hat Dance"; the Uighur nationality's "Melon-Planting Dance" and "Picking Grapes"; the Zang nationality's "Friendship Dance" and "Ardent Hopes on the Plains"; the Yi nationality's "Happy Luosuo" and so on.

These works all retained quite well the characteristics of the nationalities and the flavor of their lives. While drawing in and using outside dance forms, an extremely careful attitude was adopted. Thus the music, the dance, and even the clothing and color were all authentic to the nationality forms. The choreographers used strong nationality styles to reflect the new lives and new mental outlook of the various nationalities from different angles. In the performances, the performers paid much attention to the innate, rugged, simple, vigorous and graceful qualities of the minority nationalities. These dance works were not only praised within the country but were also well-received abroad. In successive international youth festivals, they won gold, silver, and bronze medals.

The successes of these dance workers provide us with useful enlightenment. Dance works only need to have nationality characteristics and they will be better received by the masses of people, and will have vitality.

However, the development of dance creation experienced some twists and turns in the 1960's. A major reason for this was that nationality questions had not been well resolved. During the "decade of turmoil" dance performers trained only for the "model operas." These were mainly ballet. Many of the performers had had little exposure to nationality folk dances and many comrades were not too familiar with, and did not particularly like, nationality folk dances. They blindly studied foreign things and copied them mechanically. They felt that only what was taken from abroad was real dance. Actions such as this weakened and damaged the nationality styles and characteristics of dance. We dance workers should pay great attention to what happened then.

For a long period, a major reason why the development of the art of drama had been inferior to that hoped for, is that we had not mastered well the characteristics of dance. Our lessons are more deepgoing in this regard.

Some of our comrades had the problem of mixing up the function of dance with those of literature, drama and such artistic forms. While stressing political education they overlooked the independent aesthetic functions and

entertainment role of dance. As a result of this concept, the dances produced often had forced stories. Two people moved backward and forward across the stage, first to the east and then to the west. They were not dancing. Rather it became a voiceless opera, a living newspaper! Long dance dramas had the problem of being too elaborate and the short dances were often used to depict political concepts. Thus, they lost their vitality.

A major factor responsible for these phenomena was that the relationship between contents and form, dance and politics has not been correctly resolved. Because of a long period of "leftist" ideological influence some comrades saw the writing and choreography as restricted by the limits of "micropolitics" and they put political aspects into their characters and stories. Of course, because this went against the patterns of the art of dance, the characters and the stories did not turn out well.

Actually, the development dance experienced in the 1950's was quite good. At that time, the dances of the various nationalities were rich and vibrant. They were lively and vivid and each had its own characteristics. Not only were there nationality characteristics and local characteristics, but also the characteristics and color of each particular dance were also quite distinctive. In the 1960's, because it was stressed that dance had to be subordinated to this or that particular political task, it resulted in criticism of the so-called natural themes. This was particularly so in the period of the cultural autocracy of the "gang of four," when dance creation had to "take class struggle as the key link." The dancing of all the different nationalities ended up being the same. They were all required to increase the political nature of their characters and their stories, and the dances became longer. Those unsophisticated nationality dances with much posturing and movement were consigned to limbo and most were vilified as "feudal, capitalist and revisionist." Minority nationality dance was thus greatly damaged and the dances were on the brink of disappearing forever.

The smashing of the "gang of four" brought bright prospects for the development of dance. Nationality dance also entered a new period of revitalized development. Following the carrying out of economic reforms and the implementation of the policy of opening to the outside world, expanded cultural exchanges gave dance workers a wider field of vision. Many dancers actively participated in creation and in the work of finding, arranging, and adapting nationality dances. Many new creative themes emerged, reflecting actual life from different angles. This resulted in a flood of outstanding new works and new talent. In the summer of 1980, at the national solo, pas de deux, and triples dance competition held in Dalian, 200 dances were entered. Through comparison and assessment, over 40 works and 70 performers were awarded prizes. In autumn of the same year, at the national minority theatrical festival, there were over 300 programs. Apart from the Mongol, Zang and Korean song and dance programs, there were others by the Man, Jinuo, Bulang, Jing, Xibe and Hezhe nationalities, as well as programs by the Deng, Xiaerba and Kucong peoples. Over the last few years, dance workers have enthusiastically thrown themselves into creation and performance,

and have achieved pleasing results. But we must recognize that there still exist problems in the selection of themes and contents of dances. This is mainly manifested in the fact that the situation where some comrades, in reflecting reality and depicting life, are eager to use dance to resolve actual problems, has not been changed. In promoting hygiene, there is the "eliminate the four pests" campaign, in showing off military skills, tanks can be dispatched.... Really, there are some subjects for which dance is certainly not suited. Because it was desired to depict things political and dance had no words, songs were used. However, the songs did not fit in and thus it was necessary to write slogans. In this way, politics was oversimplified and art was debased. These dances violated the patterns of dance, were insipid, and without color. Naturally, no one wanted to watch them. The original intent of dance, on the other hand, could not be realized. Also, some choreographers became overly intoxicated with educating the people from a superior position, and with gun-firing dances, hand grenade dances, and cannon-firing dances which reflected life in the forces. The original intention was to inspire the soldiers. However, the soldiers said: "In the daytime, we have major drills, and then in the evening we have minor drills." The soldiers saw the same things they saw all day long. Of course, they were not interested. If we wish to serve them, at the same time as educating them, we should give them some entertainment. If after watching a dance, people are happy and pleased, have been touched by beauty, and their spiritual state has been raised, is that not good? Educating through entertainment more effectively brings into play the role of dance in building spiritual civilization.

Summing up yesterday is intended to assist us today and tomorrow. Seeking the patterns is also intended to give guidance to new practice. We must avoid those insipid dances with no aesthetic interest and no nationality characteristics. We must link up with the tempo of times gone by and bring enjoyment to people. We must spread the art of dance into people's hearts so that it becomes their spiritual food. We should use the outstanding spirit of revitalizing China in creating the situation in dance, and use our nationality thoughts and emotions in nationality dance forms to praise the present and eulogize today's people.

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ECOLOGICAL BALANCE AND ENVIRONMENTAL PROTECTION

Beijing RED FLAG in Chinese No 14, 16 Jul 85 pp 36-40

[Article by Zhou Fuxiang [0719 1381 4382]]

[Text] The protection of the environment is a global question of concern to the people of all countries of the world. In the process of realizing socialist modernization, our nation has the great and arduous strategic tasks of preventing environmental pollution and damage, improving the quality of the environment, and safeguarding ecological balance.

I

If we wish to understand the great significance of environmental problems on man's social production and life, we must start by talking about the ecological balance of nature.

The natural environment for mankind's life has been formed by the slow evolution of the earth over 4.6 billion years. The earth's environment is formed by the atmosphere, the hydrosphere and the lithosphere, as well as the biosphere which is where these three components meet and where the conditions are suited to the existence of living things. In the biosphere, the relationships between these living things and between the living things and the environment are mutually conditioning and mutually dependent. This forms a large, extremely complicated, ecological system. It is mainly through solar energy that these living things can complete their physical cycles, that energy flows, and that information transfers. These physical cycles have a definite order. When the input and output of energy and materials, the organization of different types of living things, and the ratios between the various groups remain in a fairly stable state, it is called ecological balance, or a natural balance. This thereby creates a situation whereby in the earth's environment all living things continue generation after generation. The main reason a state of dynamic balance can be maintained in the ecological system is that internally there is automatic regulation and replacement. However, ecological balance is not unalterable. It is always in continual motion and change. At the same time, the natural world frequently experiences unusual changes. For example, volcanic eruptions, violent earthquakes, cyclones, tidal waves and so on can, in a short time, result in the ecological system being damaged. However, in general, the

frequency of variation appearing in the natural world is not great and these variations are restricted to certain regions.

Following the appearance of man in the ecological system and the development of his struggle to transform nature, he has played an ever-increasing motive role. Man is a product of the earth's environment as it evolved to a certain stage. He has two important characteristics: 1) He is part of nature. Man is a living organism and a constituent part of the biosphere. The constituent elements of human bodies are to a certain extent alike, both in type and percentages, to those which make up the earth's crust, thus showing that man is a product of his environment. Man, like other living organisms, is subject to the laws of nature, participates in the physical cycles, energy flows, and information transfers, and maintains a dynamic equilibrium with the earth's environment. 2) He has a sociable nature. Man, through labor, dynamically transforms the world and creates a better environment for existence. The high level of material and spiritual civilization is an indication of the level and the degree to which man has subjugated nature. In regard to material civilization, its development is determined by the economic activities of man. These actions are not of a closed, but an open nature. Marx once pointed out: "Labor is first a process between man and nature, a process by which man sets off, adjusts, and controls the material changes between himself and nature." ("Collected Works of Marx and Engels," Vol 23, pp 201-202) The process of economic reproduction needs to obtain raw materials and energy from the natural environment. Through the process of production, allocation, circulation and consumption, the discarded materials are pushed back into the environment, and become a part of the natural cycles of the natural world. This is especially so of agricultural production activities, which "always intermingle with a natural process of reproduction." (Ibid., Vol 24, p 399) It adds an artificial factor into the natural ecological cycle. This speeds up or changes the natural ecological cyclical process so that within a certain period, relatively more can be produced. The so-called fine cycle of nature is one where the ecological system is in a stable situation. As regards industrial production, the object of labor in the mining industry is natural resources. The raw materials industries break down and refine natural resources. Processing industries change the use of natural resources in accordance with social needs. None of these can divorce themselves from the natural resources. At the same time, the waste materials discharged in industrial production enter the natural world's reproduction process through the purification function of the ecological system. In this way, the process of economic reproduction is linked up with the process of natural reproduction, giving rise to the process of social reproduction. The process of natural reproduction is subject to the laws of nature, while the process of economic reproduction, apart from having to observe economic laws, must also observe natural laws. Overall balance of the national economy requires a balance between industry and agriculture and a balance between production, circulation, allocation and consumption within both industry and agriculture. It also includes a comprehensive balance between the process of economic reproduction and the process of natural reproduction. If this is achieved, it will promote the sustained development of social reproduction.

At the same time we point out the motive role played by man's activities in the ecological system, we should also recognize that with the expansion of the scale of man's production, especially the development of science and technology and industrial and agricultural production in recent years, the influence man has on the natural world is becoming greater. This will lead to damage of the natural ecological system resulting in irregular changes in the natural environment and in some resources running out. That is to say, while there has been a great victory for man in gaining the knowledge to transform nature, man has to a certain extent been subject to the retaliation and punishments of the natural world. Countless bitter lessons have caused man to gradually recognize the extreme importance of environmental protection.

At present, the environmental problems facing the world and our nation are of two major categories: 1) The waste products resulting from the development of modern industrial and agricultural production and from man in his daily life, are increasingly exceeding the ability of the environment to purify them and this is affecting the quality of the environment. According to statistics, in the 1970's over 3 billion tons of solid waste and 60-70 billion tons of liquid waste were disposed of in the world each year. Of the waste gas discharged, carbon monoxide and carbon dioxide alone totaled close to 400 million tons. Great quantities of waste materials being discharged into the environment results in changes in the atmosphere and the hydrosphere. The carbon dioxide content of the atmosphere (by volume) increased from 0.028 percent in the 19th century to 0.032 percent in 1957. Now, it has increased to 0.034 percent. Scientific experiments have proved that if this percentage continues to rise, it will result in climatic changes all over the globe. 2) The exploitation of natural resources is not being done properly. This is especially so of agricultural, forestry, animal husbandry and fishing activities which have excessively exploited live resources. This has resulted in a rapid decrease in live resources and deterioration of the environment. According to relevant UN statistics, 24 billion tons of the earth's land is annually lost through erosion, and each year 6 million hectares of land become desert. If these phenomena continue at this rate, and cities and communication facilities occupy increasingly large areas of farm land, the present 1.24 billion hectares of arable land in the world will be reduced by one-third over the next 20 years, and agricultural production will be seriously threatened. These two types of environmental problems affect one another, have mutual cause and effect and have composite effects. They result in man's economic activities assaulting and disturbing the normal cycles of the biosphere, leading to the degeneration of the environment. On the other hand, this also affects the smooth carrying out of economic reproduction and affects the existence of man himself and his future generations. This must attract people's serious concern.

Over 100 years ago, Marx and Engels, on the basis of summing up the doctrines and experience of those who had gone before, provided a deep theoretical explanation of the relationship between man and nature, and the effects of man's activities on the natural environment. They also clearly pointed out the two avenues for resolving environmental problems: 1) Learning how to correctly understand and utilize natural laws and learning to

recognize how man's regular activities could affect the natural world. 2) Rationally regulating the material changes between man and nature and carrying out production and allocation in a planned way. In the last 10 or 20 years, the industrially advanced nations have accumulated experiences in handling wastes and in environmental protection. Our nation is a developing socialist nation. The socialist public ownership of the means of production and the planned commodity economy create superior conditions for our economic development and environmental protection. We must fully bring into play the superiorities of the socialist system and, at the same time as developing production, must take into full consideration long-term economic benefits. We must think about the future generations and thus must make great efforts in creating a fine environment for both work and life.

II

If we wish to protect the environment and safeguard ecological balance, then we must understand the characteristics of the environment. In general, there are five characteristics of man's environment:

1. The irreversible nature of environmental changes. The ecological system has an automatic regulatory function, but this has definite limits. Once the limits it can bear are surpassed, it leads to a loss of balance in the ecological system. The three great cultural birthplaces of the world (the middle and lower reaches of the Nile River in ancient Egypt, the Euphrates River valley in Babylon, and the middle reaches of the Huang He in China) were all greatly damaged by the irrational use of the environmental resources. If we are to control the serious soil erosion in our nation's Huang He valley, I am afraid it will require great labor and dedication over the next several generations. If we are to eliminate toxic materials which have accumulated in the environment and in the bodies of living things, it is going to take a very, very long time, but the harm cannot be reversed. At present, people are especially concerned with local and global environmental problems, such as the increase in the amount of carbon dioxide in the atmosphere, the growing range of acid rain, the reduction of ozone in the ozone layer and so on. This concern is due to the fact that once these things bring changes to the environment, they will inevitably affect people's existence, and these changes will be irreversible. Thus, environmental protection must be considered together with social and economic development. By stressing preventive measures and overall planning, we can guard against irreversible problems occurring.
2. The long-lasting nature of environmental dangers. It often happens that the results of induced environmental changes are not seen immediately. Sometimes they can only be seen after a decade or two, or an even longer period. The case of the Japanese Minamata disease which shocked the world only appeared after 10 to 20 years, and even now more sufferers of the disease are still being discovered. In a certain mountain area of Guizhou Province, 100 years ago, the mountains were wooded and the water clear. Later, a cinnabar mine was opened. In a short time, the shallow deposits were exhausted and the miners turned to charcoal-burning as an occupation. In their work, they cut down all the trees on the surrounding mountains. From

the mine cavity flowed polluted water, and following soil erosion, this polluted water flowed down into the agricultural fields and water sources. After liberation, many people's hair began to fall out inexplicably, and the local people said that this was "the ghosts shaving heads." In the 1970's, geoscientists went to the area to do a detailed investigation and carry out chemical studies and biological experiments. They were thus able to solve this mystery. It was not a problem of "ghosts shaving heads," but one of the thallium level of the soil and water being too high. Because of the activities of man, the thallium stored in the ore entered the people's bodies through the ecological food chain and was stored there. That is what caused the illnesses.

This example shows that in developing the economy, we must keep the ecology in mind. We cannot leave hidden dangers, or only concern ourselves with overall results and profits. Nor can we overlook the "short-term or long-term effects which interference in the normal cycle of the natural world produces." ("Selected Works of Marx and Engels," Vol 3, p 518) If we do, we will inevitably suffer punishments from the natural world.

3. Environmental resources are limited. The natural environment is not only a space in which man can exist, but also something which provides him with a material source for reproduction. It can supply him with the necessary sunshine, air, and water for his existence, and supply forests, animals and other living resources as well as oil, coal, and other mineral resources. It can also supply places which purify polluted materials, and landscape resources. Most of these resources are not inexhaustible. Following the growth in population and the development of production, the scarcity of environmental resources has become increasingly obvious. People have all along thought that water is an inexhaustible resource. However, of the 300-plus cities now in our nation, 188 suffer from lack of water and 40 suffer from an acute lack of water. The lack of water is also a fairly widespread phenomenon in various countries of the world. It is especially important that, if we wish to continue using renewable resources, we must adhere to the law that the ecological limit is equal to one (that is when the exploited volume equals the production volume). If we wish to take more, then we must urge more transformation. Preventing industrial pollution is intended to reduce the waste of resources and promote the comprehensive utilization of resources. Protecting the agricultural environment is intended to promote continued high and stable yields, so as to bring about a fine cycle. In the end, protecting the environment is intended to promote the rational utilization of environmental resources and the healthy development of the economy.

4. Key environmental elements have an integral nature. The environment is a comprehensive entity with many elements, many levels, and many structures. Changes in the key environmental elements are a result of the coordinated roles of many elements. The atmospheric environment, the water environment, and the land environment are all products of the combined roles of various natural factors and various socioeconomic factors. On the ice-covered contingent of Antarctica, DDT agricultural insecticide has been found in the bodies of penguins, and in the ice-sheets of Greenland, close to the North Pole, lead and mercury levels are continually rising. These points

all show that the important elements of the environment are all interconnected through physical cycles. It has been found that atmospheric pollution in some areas is not only related to the types and quantities of pollutants discharged but also to the layout of industries, the degree of concentration of the urban population, the positioning of cities and even the weather.

The integral nature of the environmental elements requires that we cannot just handle pollution as it occurs. We must integrate the natural environmental system and the socioeconomic systems into one body, make overall arrangements, and carry out comprehensive research. This will require the interlinking of natural science, technological science, and social sciences, so that a comprehensive appraisal of nature, technology, and the economy can be carried out.

5. The uncertain nature of environmental problems. Practice has provided that the elements responsible for environmental pollution and damage are very complicated. Some are man-made elements, others natural. The man-made elements are very diverse in their nature. The danger resulting from pollution is generally not direct, but rather indirect, latent danger. Limited by our present level of science and technology, we are not absolutely clear about possible dangers. This is what is referred to as the "uncertain nature" of these problems. For example, the cause and effects of various types of pollutants on the environment and the possibilities of chemicals producing deformities, cancer, or mutations must all be studied by scientists over a long period of time. Only thus will we be able to obtain scientific data which accords with the actual situation. However, in order to safeguard the environment, prior to our obtaining extremely clear data, we must take precautionary measures.

Also, the water, atmosphere, and landscape environmental resources have use value but do not have a market price. In order to fully appraise the positive and negative effects of economic activities, we must also calculate the economic losses brought about by environmental pollution and damage. At the same time, the amount of live and materialized labor needed in protecting the environment and maintaining ecological balance needs to be taken into account in calculations as to production labor needed by man. However, this sort of calculation is very complicated and we can only make rough estimates.

Because of their uncertain nature, it is easy for people to overlook the importance of environmental problems. Thus, we must work hard in carrying out environmental scientific research work and in organizing multidisciplinary research. We must also strive to master the natural and economic laws involved in environmental problems, and the methods for appraising and assessing the environment so that we can provide a scientific basis on which decisions can be made.

III

Environmental problems are related to the population, technological and economic spheres. However, the most serious problems are those which are

produced by economic reproduction. This point is seen quite clearly in our country at present. According to calculations, industry provides over 70 percent of the pollutants discharged into the environment. In terms of the whole country, the environmental damage caused by soil erosion, desertification, and excessive exploitation of forests is more serious than environmental pollution and the effects are more wide-ranging. Thus, correctly handling the relationship between economic development and the environment is the key to our environmental protection work and the road we must follow in resolving environmental problems.

1. If we wish to correctly handle the relationships between economic development and environmental protection, we must first make clear in the guiding ideology for socioeconomic development that "environmental protection is a basic policy for our nation." Under the guidance of state planning, we must arrange the relationship between economic development and population, resources and the environment in an overall way. In this way, economic construction, the building of cities, and environmental protection can be planned at the same pace, carried out at the same pace, and developed at the same pace. A unity of economic benefits, social benefits and environmental benefits will thus be achieved. This requires that environmental protection permeates every activity in this society and the economy, so that environmental protection and socioeconomic activities are integrally linked. We must implement a system of environmental responsibility and adhere to the principles of "he who pollutes cleans up" and "he who develops is he who protects." The developmental units and production units have responsibilities to the state and to the society to protect the environment and, at the same time as they grasp production, they must grasp environmental protection and protection of resources. Through development methods, technological avenues, the industrial structure, the agricultural structure, the urban structure, and production planning, we must strive to reduce harmful effects on the environment so that environmental resources can be used in their optimum way and can continue to be used thus.

2. We must do well in environmental planning. Planning is the blueprint for construction. Environmental planning or ecological planning refers to macro-planning concepts about the land. When drawing up socioeconomic development plans, we should not solely consider economic factors. We must consider them together with local geophysical systems, biological systems, and socioeconomic systems so that socioeconomic development can accord with nature. In this way, we can have economic development without incurring damage to the local ecological balance, and we will be able to achieve, in an overall way, a comprehensive balance of economic development and environmental protection. The major tasks of planning are as follows: To protect man's health; to increase the economic value of natural systems so as to ensure that mineral resources, water resources, and biological resources can be used in the optimum way; to develop ecological technology and ecological agriculture and to propagate closed-circuit cycles and nonwasteful technologies; and to protect the entirety of the natural ecological system.

3. We must strengthen scientific research into the environment, and develop ecological technologies and ecological agriculture. We can say that the existing technologies in industrial and agricultural production in our country are of a resource consumption form. There is much input and little output. We should follow the highly efficient transformation mechanisms of the natural ecological system and thus cause this resources consumption form to change to an economic ecology form.

The so-called economic ecology form is one where economic activities are arranged according to the principles of the "food chain" in the ecological system. The factories between which there are relationships in terms of raw materials, energy, and wastes are linked up in a "factory chain." One will use the raw materials produced by another, while the waste materials of the first will be used in production by the second. Through various cycles, materials will be utilized to the greatest degree possible and products will be produced with little or no waste. The principles of comprehensive utilization and changing wastes into valuable things were first put forward and implemented by our nation. Actually this is an embryonic form of the economic ecology form. We must take the development of comprehensive utilization of resources and the turning of wastes into raw materials as the focal points of our environmental protection work. This will result in the control of industrial pollution becoming an avenue for developing the economy. Ecological agriculture is a form of agricultural economy which is established on the basis of ecological theory. It takes agriculture, forestry, fishing and animal husbandry as well as foodstuffs and other processing industries as an organic entity, so that it forms a closed-circuit ecological system. This type of system can improve the utilization of solar energy and the transformation of bio-energy, so as to promote the repeated and cyclical use of materials in the system. In this way, more inorganic materials can be transformed into organic materials and the input of raw materials and the output of harmful wastes can both be reduced. Practice has provided that ecological agriculture is an important means for changing our nation's traditional forms of agriculture, for realizing a fine agricultural cycle, and for protecting the ecological environment.

4. We must correctly appraise the economic interests of construction projects and production units. We should recognize that contradictions often occur between economic development and environmental protection. This is mainly manifested in contradictions between partial and overall interests, and between long-term and short-term interests. In terms of construction projects and production units, the direct economic benefits derived from environmental protection will probably not be large. They will mainly be reflected as social benefits. Efforts today will bring benefits for a long time to come. We must make an overall assessment of the economic interests of construction projects and production enterprises from the social angle and must include the environment in expanded cost-benefit analyses. Only in this way will we be able to obtain the best socioeconomic benefits and realize a unity of economic benefits, social benefits, and environmental benefits.

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NEVER BRING SHORTCOMINGS INTO PLAY WHILE DISCARDING STRONG POINTS

Beijing RED FLAG in Chinese No 14, 16 Jul 85 p 41

[Article by Zhang Kaiji [1728 7030 3444]]

[Text] It is important to know one's own limitations. This also applies to a country. First, it should know its own strong points and also its own weak points, and should then bring the strong points fully into play and overcome the weak points, thus rapidly stepping onto the road to power and affluence.

In my opinion, poverty is an outstanding weakness of our country. In the early 1980's, our GNP per capita was only \$250. After 5 years of efforts, it is now about \$300. This is rather low compared to the world's average. We should not be scared by our poverty, provided we know how to properly treat it. Because we are poor, we should all the more be industrious and frugal, and oppose carelessness but we should make careful calculation and strict budgeting and oppose extravagance and waste. Moreover, we should be united in heart and soul, redouble our efforts to carry out the four modernizations and reform of the cities and the countryside, and transform as soon as possible the poor and backward appearance of our country. We should never be disheartened and far less try to appear to be well off.

I further believe that a strong point of our country is our "wealth," in the sense of our large cultural heritage. In this respect, our country is an "enormously rich country" in the world, possibly the "richest." Each and every one of us should be proud of this, at the same time have the responsibility of loving and preserving this gorgeous and splendid cultural heritage left to us by our ancestors, and should enhance its further development.

It is a pity that at present there are many indications that we do not sufficiently understand our own shortcomings and strong points, as a result of which we cannot discard our shortcomings or bring our strong points into full play.

Diligence and frugality are the traditional good virtues of our people. At all times we should insist on industriously and frugally running the house and country. Unfortunately, for a period of time, it seems that few people have mentioned the two words diligence and frugality. On the contrary, while

it is crystal clear that at present the country still does not have plentiful resources, and that the salaries and wages of the staff members and workers are still at a rather low level, people have clamored for so-called "high consumption," or unilaterally advocated enjoyment of the pleasures of good food and good wine and sundry other amenities. Some people like to show off their wealth or station in life, and would spend several thousand yuan on a marriage ceremony.

Capital construction investments usually occupy a large proportion of the national budget; hence, it is especially necessary to practice economy in capital construction. Unfortunately, at least in the civil construction projects, conditions of the scale tending to be too large and the standards tending to be too high may still be found. In certain cases, although construction should not have started on the projects yet, it started with haste just the same. As a result, although there was a clamor each year for shortening the capital construction front, the front was unduly lengthened just the same. In addition, in planning and designing work, there is an urge for targets that are "high, big, and foreign," resulting in a large increase in the amount of unnecessary investments. How is it possible to improve the economic results by doing this?

On the other hand, due regard has not been paid to our exceptionally rich and splendid cultural heritage. Some comrades have overemphasized the contradiction existing between protecting and preserving the cultural heritage and carrying out modernization, believing that "if you do not break you cannot build." This has resulted in the destruction of certain cultural relics which sorely needed to be preserved and protected. Some other comrades have unilaterally looked at the cultural relics as resources for absorbing foreign exchange from foreign tourists but lack a sufficient understanding of the history, cultural background, and artistic value of these cultural relics. They "looked toward money" only, and for the sake of a little economic benefit for the moment, frequently turned to breaking up the cultural relics. Naturally, there are still many people who do know how to treasure and protect the cultural tradition of the fatherland, but many people would wholeheartedly worship the "civilization" of the West, believing that all foreign things are good. The cause of such an ideology is, on the one hand, their lack of understanding of the strong points of their own country, and, on the other hand, in regard to outside things, they do not have a relatively thorough and penetrating knowledge. If this kind of ideology is allowed to spread, the progress of our socialist construction will be adversely affected. This should never be overlooked.

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ANSWERS TO QUESTIONS: WHY DO WE SAY SPEEDING UP TECHNOLOGICAL TRANSFORMATION OF EXISTING ENTERPRISES IS AN IMPORTANT STRATEGIC GUIDELINE?

Beijing RED FLAG in Chinese No 14, 16 Jul 85 pp 42-43, 44

[Article by Lin Zongtang [2651 1360 2768]]

[Text] Speeding up the technological transformation of existing enterprises is an important strategic guideline of decisive significance in China's economic construction. This guideline was put forward by the CPC Central Committee and the State Council on the basis of summing up positive and negative experiences in our country's economic construction over the last 3 decades and in the light of China's actual conditions at present.

In the first couple of years after the founding of the PRC, we had a very meager industrial foundation. In 1952, the total value of fixed assets of industrial enterprises owned by the whole people only amounted to 24 billion yuan. Under the circumstances, it was perfectly correct for us to put the focus of economic construction on large-scale capital construction. By 1979, through nearly 30 years of construction, fixed assets had grown by more than 20 times compared with 1952. After our industries began to take shape, we still put the focus on capital construction and neglected the technological transformation of existing enterprises. We followed a road which stressed the construction of new projects and slighted transformation, stressed extensive development and slighted intensive development, and stressed production and slighted technology, all of which resulted in a high level of accumulation and a low level of consumption. This road enabled us to develop rapidly, but produced poor investment returns and economic results. Because of our long neglect of technological transformation and technological progress, our enterprises have remained in a backward state in terms of technology all these years. First, our equipment is outmoded and our technology is aging. Second, our technological level is low. Third, our products are outmoded and backward. Fourth, the scientific and technological level of existing enterprises, particularly the medium-sized and small enterprises, is weak, and the technical staff is seriously lagging behind in the development of the latest technologies. Fifth, the premises of many enterprises are too old, their safety equipment is incomplete, environmental pollution is serious, and so on. In order to better carry out socialist modernization and make our limited funds yield maximum returns, we must fundamentally change our guideline for economic construction. We must cast away the old

method which stressed the construction of new projects at the expense of transformation and which resulted in a high level of accumulation and a low level of consumption, and resolutely put the focus of investment on existing enterprises, on technological transformation, reconstruction, and extension of existing industrial bases. Except for energy, transport, materials, and other weak links, we should not construct new projects if we can increase productive capacity by carrying out transformation, reconstruction, and extension on the existing basis.

Why must we adopt this new strategic guideline? Regarding this, we are greatly inspired by the systematic and profound expositions given by Premier Zhao Ziyang on different occasions. First, seen from the layout of our productive forces as a whole, we have strategically spread out our productive forces and developed industries on a fairly large scale in the coastal areas as well as in the hinterland through construction during several 5-year plan periods since the founding of the PRC. Although the problem of imbalance has yet to be solved, on the whole, our main concern in the future is not to engage in large-scale construction of new projects but to enhance our capacity and raise our level on the existing basis. We must fully tap the latent potential of our several hundred thousand enterprises and speed up China's socialist modernization.

Second, this guideline will enable us to shorten the construction cycle, turn out products quickly and achieve good economic results. It takes a long time and a lot of investment to start new projects and to develop new bases. For many years, we have been carrying out construction and running enterprises without any knowledge of capital turnover, interest, and input and output. Comrades engaged in economic work usually only concern themselves with the amount of investment. They pay little attention to the construction cycle, the amount of interest that will incur and how quickly a project can turn out products. A universal feature of projects undertaken by foreign entrepreneurs is that they have a short construction cycle and can turn out products quickly. The reason for this is that they operate on borrowed capital. From the outset they have to consider how they are going to pay the interest. But we lack this concept. If it takes us 5 years to put a project worth 100 million yuan into production, total investment plus interest will amount to 150 million yuan. If it takes us 10 years to put the same project into production, total investment plus interest will amount to 200 million yuan. Moreover, in the first case, huge profits can be reaped in each of the 5 years of time saved. Thus, there is a world of difference between the two cases. We have to pay interest for the use of funds. The shorter the construction cycle, the lighter our interest burden; the faster we start producing, the better the economic results. How long it takes to construct and to produce has a vital bearing on the economic development of a country. If the construction cycle is short, investment is small and it takes a short time to produce, the country will become rich quickly. Otherwise, the country will have difficulty getting rich. Take the Anshan Iron and Steel Company for instance. Through transformation and extension, the company can have the capacity to produce 8 million tons of steel by 1990 and will basically be able to carry on work and production nonstop. Compared with the construction of a new iron and steel base with a capacity of

4 million tons, this method will save billions of yuan. It has been proven by numerous examples that by carrying out technological transformation, reconstruction, and extension on the basis of existing enterprises, we will be able to achieve twice as much with only half the effort. Spending little and making big profits is the road to achieving greater, faster, better, and more economical results that suits China's actual conditions.

Third, this guideline is conducive to integrating the task of constructing key projects with that of technological transformation and promoting the modernization of the entire national economy. Some old enterprises and industrial bases are now quite dilapidated and are in urgent need of transformation. If we only pay attention to building new projects, our new enterprises may be advanced, but the great number of old bases and enterprises will remain backward. We will never be able to realize modernization in this way. A major lesson we have learned from economic construction in the past was that after a project was completed, we took away all its profits to build new enterprises instead of using the profits to expand its capacity for reproduction. Thus, after a project was built, the one that was completed earlier had already become backward in many respects because it was unable to update itself by adopting more advanced technologies. The policy of transforming old enterprises will enable us to expand the productive capacity of these enterprises and to arm the old enterprises and bases with new technologies. In this way, the old as well as the new enterprises will be able to make technological progress and fly wing to wing. We will also have greater hope of achieving modernization.

Marx pointed out when he expounded on expanded reproduction in society: "When the area of production is expanded, it is extensive expansion; if the efficiency of the means of production is enhanced, it is intensive expansion." ("Collected Works of Marx and Engels," Vol 24, p 192) Intensively expanding reproduction can be achieved by tapping the latent productive potential of existing enterprises and by improving the essential factors of production, production technology, labor organization, operations and management, and production efficiency. It means developing production in depth and in intensity. In our country, technological transformation means raising the technological level of existing enterprises and improving the efficiency of the means of production. In essence, it means expanding reproduction intensively. Thus, taking the technological transformation of existing enterprises as an important strategic guideline for economic construction shows integration of the basic tenets of Marxism with China's reality.

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A YEAR OF REGULARIZATION IN THEORETICAL EDUCATION FOR CADRES

Beijing RED FLAG in Chinese No 14, 16 Jul 85 pp 43-44

[Article by Li Ju [3810 3515]]

[Text] Last year in June, the Propaganda Department of the CPC Central Committee passed down the "Regulations on the Regularization of Marxist-Leninist Theoretical Education for Cadres." Over the last year, throughout the country, 25 provinces, cities, and autonomous regions have carried out regularized theoretical education for cadres. According to incomplete statistics from these regions, about 2.5 million people participated in regularized theory study. Of these people, 48,000 were leading cadres at the county level or above. If we compare this course in theoretical education for cadres with those held previously, we can see the following characteristics:

1. It changed the former method whereby individual works or fragments of an ideology were studied in accordance with the needs of the situation, and systematized the contents of study.
2. It proceeded from the nature of the cadres' work and the cadres' cultural level. The cadres who participated in the study course were divided into three levels, with different demands being made of each level. This changed the former "uniform" method whereby the cadres were not divided into different levels.
3. The educational forms were diverse and the educational methods were modern. Previous theoretical education for cadres, except for where some cadres have gone to the various party schools for training, has generally been of the sort whereby working cadres have taken off 2 and 1/2 days a week for study. Because they have lacked strict demands being made of them, the results have been quite poor. In this course of theoretical education for cadres, apart from expanding the enrollment of students in party schools and cadres schools at various levels, the methods of independent examination, broadcast universities, spare-time universities, and correspondence colleges were adopted. In addition, the method whereby cadres were released from work for short periods in "small groups" and universities and schools were commissioned to carry out the education, was adopted. A number of cities and provinces with the conditions, such as Heilongjiang, Jilin,

Liaoning, Beijing, Shandong, Anhui, and Hubei, used modern educational methods such as broadcasts, television, and voice and video tapes to a great degree. These modern educational methods accorded quite well with the demands made by large-scale, regularized theoretical education for cadres, and the results were very good.

4. Many regions linked the results of the cadres' study with their promotions and appointments. At the same time as doing well in ideological work and inspirational education, they also adopted this method which powerfully motivated the enthusiasm of the cadres for studying theory.

5. In order to accord with the demands of regularized, theoretical education for cadres, other than in a few areas, provincial and prefectural (city) level lecturer groups were set up throughout the country. These lecturer groups played an important role in the work of guiding theoretical study for the cadres, in training backbone staff to provide guidance in theory, and in compiling materials for the study. In order to strengthen study guidance and enliven education in theory, the lecturer group under the Sichuan Provincial Party Committee organized four correspondence institutes (colleges). Also, the lecturer group under the Hunan Party Committee organized cadre universities (colleges).

Some provinces paid attention to investigation and supervision work in the regularized theoretical education for cadres and greatly promoted the development of theoretical education for cadres. The propaganda department and the lecturer group under the Henan Provincial Party Committee organized a provincewide examination of the situation in all prefectures (cities) in May this year. The lecturer group under the Shaanxi Provincial Party Committee, with the support of the provincial propaganda department and provincial organs, carried out an investigation of the study situation of the cadres in over 60 bureau and office-level units in the province in February this year. In June this year, Jilin Province conducted a final examination for the 250,000 cadres throughout the province who had participated in the study of philosophy.

The work of regularizing the study of theory for cadres is still in its early stages. The development in different areas is uneven and improvement is needed in many areas of work. For example:

1. The contents of some educational materials are outdated and the educational methods are insufficiently scientific. They are divorced from the current undertakings of reform and modernization and they overlook the ideology and characteristics of the cadres. In those areas where study is already developed, we must put most of our energy into reforming the contents of study and the methods of teaching. In accordance with the policy of linking theory with practice and the demands on education to "gear to modernization, gear to the world, and gear to the future," we must seriously study how to reform and enrich the existing materials and how to improve methods of teaching. Some provinces and cities have already exerted themselves and done some beneficial things in this respect. All areas should make great efforts in this work.

2. Some provinces and cities have not resolved well the problem of linking regularized theoretical education for cadres with their cultural and professional training. Shandong has made regularized theoretical education a part of overall cadre training and has implemented the "three unifies" (unified formulation of plans, unified issuing of documents and instructions, and unified organization and implementation) in a fine way. Their experience is that by doing things in this way, overall plans taking all sides into consideration can be laid and rational development arranged in regard to study contents, training methods, and staff organization. They also found that it helps in the coordination of work, gains the support and attention of all departments, and motivates the enthusiasm of all sides.

3. The various courses stipulated for cadres' theoretical education are, for most cadres, supplementary. About 20 percent of the persons in the cadre ranks have already studied Marxist theory quite systematically. Since the structural reform, most of the leading party and government cadres at the county level and above have a tertiary education and have already studied several courses in Marxism-Leninism. How we are to continue organizing courses for these cadres whereby they can more deeply study Marxist-Leninist works and theory in various disciplines is a problem which requires much research and accumulated experiences. Shanxi, Henan, Tianjin, Shandong, Jilin, Hebei, and other provinces and cities have arranged for cadres to study the science of Marxist leadership, national economic management, and modern scientific and technical knowledge. These courses have all been well received by the cadres.

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SEVERAL QUESTIONS DESERVING ATTENTION REGARDING METHODOLOGY IN COMPILATION OF TEACHING MATERIALS

Beijing RED FLAG in Chinese No 14, 16 Jul 85 pp 45-46

[Article by Yang Shiwang [2799 2514 2489]]

[Text] Since the 3d Plenary Session of the 11th CPC Central Committee, varying degrees of improvement have been made in the contents and methodology of the socialist portion of political economy. However, as a whole, many problems still exist not only in its system and contents but also in its methodology. A study of the "CPC Central Committee Decision on Reform of the Economic Structure" has given us much enlightenment on how to solve these problems.

In methodology, the "Decision" has several special features: 1) It starts from reality, integrates theory with reality, and, in a thorough and penetrating manner, probes into a socialist economic management structure with Chinese characteristics. 2) It employs the method of analyzing contradictions, dissects the various kinds of contradictions in economic management, looks for and advocates a road to their solution. 3) Through making a systematic research and an overall analysis, highlighting the central theme, and grasping the key point, it carries out the analysis both in depth and in breadth and makes it very convincing.

Based on the spirit of the "Decision," I am of the opinion that in regard to the methodology of compiling teaching materials, it is necessary to note the following several points:

First, it is necessary to go deep into reality, to investigate and research, and earnestly study the difficult points and the important points in certain theories of socialist commodity economy. Why is it that certain weak links in theory have failed to be solved for a prolonged period? Why do students reflect the contents of the lessons as "empty" and "stale"? One important cause for this is that the teaching materials, in varying degrees, have deviated from reality. Certain problems of theory can be settled only through investigation and research. For example, take the problem of the movements of socialist funds. This is an exceedingly important problem in the economic theories of a planned commodity economy. However, basically the teaching materials have long borrowed for use the theories discussed in

"Das Kapital" regarding the circulation and turnover of capital and have simply changed the term "capital" to "funds," while, in regard to the nature of socialist funds, their sources and the laws governing their operations, they have not gone into any deep discussions. If theorists and actual workers can gather together, go deep into reality, and investigate, study and deliberate for a period of time, then I believe that a breakthrough can materialize.

Moreover, with regard to the management of the planned commodity economy an exceedingly important problem is how to consciously follow and apply the law of value. Marx, in discussing the law of value in a capitalist commodity economy, always made a comprehensive analysis of it in connection with the role of other economic laws. In examining the socialist theory of value, it is necessary for us to go deep into reality, carry out investigation and research on a large scale, come to understand the special features of the law of value under socialist conditions, find out clearly how the law of value performs its role and how it plays a joint role with other relevant economic laws. In short, theory has its source from actual practice. Only through implementing the guideline of integrating theory with reality can the level of our teaching be continuously improved.

Second, it is necessary to employ the method of analysis of contradictions to analyze the economic relations, the economic procedures and their law of development under socialism. Any production relation of society is developed in the course of the working of the unity of opposites. Socialist production relations are no exception.

In explaining the fundamental economic concepts and economic laws, the original textbooks always start with the discussions of inevitability or certainty, and proceed to discuss their nature, special features, functions, and role. In the analysis of their nature and special features, the textbooks, without exception, generally continue with a discourse on the differences from capitalism in regard to such aspects as economic relations, purposes, and results shown in consequence of their nature and special features. The texts are nearly stereotyped. This is a deviation from the scientific method of making a concrete analysis of concrete affairs and concrete contradictions. In my opinion, it is necessary to strengthen the research on the relations of the unity of opposites objectively in existence between the various ownership systems of a socialist society, between the material interest relations of the socialist state, enterprises, staff members, and workers, between plan and market and between strengthening controls over major issues and allowing flexibility in minor issues. We should learn from Marx' method of writing "Das Kapital," that is, from abstract to concrete, from the general to the particular, from the qualitative to the quantitative, from the microscopic to the macroscopic, and from a static state to a dynamic state, to make an analysis of the entire planned commodity economy in the course of contradictory movements, taking it as an organic contradictory united body, thus revealing the nature of its law of development and to improve our consciousness of "social foreign guiding social production" (Marx believed that this should be the substance of the essence of the political economy of the working class--refer to "Selected Works of Marx and Engels," Vol 2, p 132).

Finally, it is necessary to use the systematic analytic method. The so-called systematic analytic method is to take matters or affairs as organic bodies which possess special functions and which are formed by certain elements which are mutually dependent and mutually restrictive and place the object of the examination in the organic body for systematic research and overall analysis. Socialist economy is an organic body. Its various economic relations, economic interest, and economic laws are not only reciprocally related but also reciprocally restrictive. In "Das Kapital," Marx, for the sake of elucidating the theory of average profit, analyzed the complex relations of various sides, made a comprehensive analysis of the system of economic laws and revealed that various kinds of economic laws, such as the law of value, law of supply and demand, law of competition, law of the state of anarchism, and law of surplus value, all existed at the same time, jointly exercised their functions and eventually led to the averaging of the profit rate. Marx' "Das Kapital" is an example of using materialist dialectics to study the laws of the economic movements of a capitalist society and also sets a precedent for the concrete use of the systematic method to analyze economic problems.

In the original textbooks, the method of isolated analysis is frequently adopted on economic problems, thus severing the internal relations of things. For example, in regard to the price problem, analysis is frequently confined to its relationship with the law of value. After discoursing on the role of the law of value, the texts will end with a discussion on the basis of prices under socialism. In reality, socialist prices constitute an economic lever of the first importance and also one of the most important and fundamental concepts of economics. It must have value as foundation, and displays the demands of the law of value, but at the same time it is under the restrictions of the various kinds of laws, such as socialist basic economic laws, laws governing planned and proportionate development, law of distribution according to work, law of supply and demand, and law of competition. It is related not only to the circulation sector but also to the various sectors of production, distribution and consumption, affecting the smooth progress of entire social production. Only through placing price in the total structure of planned commodity economy for a comprehensive study can we fully understand its importance and set up a relatively complete theory of prices.

In short, in the teaching materials the problem of methodology exists in both the system and structure and theoretical analysis. Only through the use of scientific methodology is it helpful to overcome the existence in varying degrees of dealing in generalities, formulas, and doctrines on the part of the teaching materials and to open up a new situation in the compilation of teaching materials and in teaching research.

CSO: 4004/32

DO NOT PROCEED FROM DEFINITIONS IN EXPOUNDING ECONOMIC LAWS

Beijing RED FLAG in Chinese No 14, 16 Jul 85 pp 46-47

[Article by Gong Xikui [1362 1585 7608]]

[Text] In compiling the socialist portion of the teaching materials for political economy on the basis of the spirit of the "CPC Central Committee Decision on Reform of the Economic Structure," aside from making new breakthroughs and inserting new ideas in the contents and system, it is also necessary to carry out reforms in methodology.

The current teaching materials possess, in a varying degree, the defects of first giving a definition on each economic law and then proceeding on the basis of the definition to expound on the laws. For example, in expounding on the basic economic laws of socialism, frequently what kind of laws the basic economic laws are is first explained. This is followed by a presentation of these laws which is next followed by an analysis of this presentation, explaining what the purposes of socialist production are, the measures used to achieve these purposes, and so forth. This method of expounding economic laws seems to imply that economic laws do not exist in the objective economic process but exist in the sphere of pure reason and concept. This results in making economic laws float outside the economic process whereas they should have been inside. In the past, this method of purely starting from ready-made definitions to expound on economic laws caused us great disadvantages in actual practice. For example, in regard to the interpretation of the law of distribution according to work, in the past we thought that it had already been understood by us. In reality, we did not have an intensive knowledge of what the operating mechanism of distribution according to work at the existing stage of socialism would be like. As a result, in actual practice, we committed many violations of the law of distribution according to work. In order to correctly explain the law of distribution according to work, we should not stick with the explanation from the existing definitions found in the classical works. Rather, we should devote efforts to studying the realistic course of economic operations. Realistic distribution according to work is not distribution according to work which bans the relations of commodities and money, but is distribution of work under the conditions of a planned commodity economy. It is not distribution according to work subject to regulations according to a unified standard administered by a central unit and on a society-wide

scope but is distribution according to work separately organized and enforced by the various individual enterprises in accordance with the state policy and the economic benefits of their own enterprises. If we do not study the economic conditions and the working mechanism to which realistic distribution according to work owes its existence, how is it possible to give a scientific definition to distribution according to work? And how is it possible to unveil clearly the rich contents of this law?

Another defect in purely starting from an existing definition to expound on the economic laws is that by so doing we have severed the reciprocal relationship existing between the economic laws. This is because definitions are fixed one after another. By making a definition for one set of laws, the inherent relations between the different sets of laws disappear. What we see in our textbooks is a simple explanation for each and every law without treating them as forming a complete organized body. In the objective economic process, between the economic laws the situation is not one of each refraining from infringing on the other, or each playing its role in isolation. Rather, between them there is mutual infiltration and they are actually interrelated. In the same economic process, frequently various kinds of economic laws exercise their functions and jointly determine the operations and results of the economic process. In "Das Kapital," Marx did not make an exposition of the law of value concentratedly in any one chapter. Rather, the relevant problems of the law of value were expounded on when touching on and revealing the whole process of capitalist economic relations and following the progress of the united analysis of logic and history. As everybody knows, in Volume 1 of "Das Kapital," when Marx discussed the quantitative value of commodities, he made a clear stipulation of the meaning of society's necessary labor time. But in Volume 3, when discussing the necessity of a proportionate production of the commodities as a whole, he proceeded to further elucidate another meaning of society's necessary labor time. Society's necessary labor time, its two meanings, and their mutual relations constitute the important contents of the law of value. However, in the order of a scientific presentation, it is more fitting to place the former implication in the stage of abstract analysis while the latter meaning is suited to being discussed when nearing the concrete analytical stage. This type of research method and method of narration employed by Marx is likewise applicable to the compilation of the structure of the socialist portion of political economy. An economic law can be split up for discussion in many chapters and sections and in each and every chapter or section, the sort of contents of the law to be discussed should be determined by an analysis of the inherent logic of the economic operations. Hence, it is not necessary to devote special chapters or sections to the discussion of socialist basic economic laws and the laws of value. They can be separately dealt upon in many chapters and sections. Because the purpose of socialist production and the functions of the law of value penetrate the entire course of socialist economic operations, only through dissecting the entire course of economic operations can the above-mentioned laws be explained in an integrated manner. Since an economic law can be dissolved or split up in many chapters and sections, then in the same chapter or section it is possible to discuss simultaneously several categories of economic laws. For example, in the chapter discussing planned

commodity economy, it is necessary to discuss the law of planned and proportionate development and the law of value and also discuss the relevant contents of the basic economic laws, law of distribution according to work, and law of the supply and demand of commodities. Only through making a clear elucidation of the inherent relations and mechanism of the functions jointly exerted by these economic laws is it possible to explain the essence and special features of the planned character and commodity character of socialist economy. Only through following the above-mentioned methods in composing the system of economic laws can there be conformity with the principle of unanimity of logic and history. Obviously, to achieve this point it is necessary to abandon the method of proceeding from simple definitions in expounding economic laws.

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THE 'FIRE OF KUNLUN' IS BURNING IN THEIR HEARTS--READING NOTES ON 'AH, KUNLUN SHAN!'

Beijing RED FLAG in Chinese No 14, 16 Jul 85 p 48

[Article by Wang Yu [3769 1946]--written at Xishan in the suburbs of Beijing on 31 March 1985]

[Text] When you finish reading Comrade Li Binkui's [2621 2430 1145] latest novel "Ah, Kunlun Shan!" (DANGDAI No 1, 1985), you will feel enkindled and inspired, as if set aflame by the bright red "fire of Kunlun" in the hands of the young nurse Bao Qiqi. At moments like this, it is very difficult to analyze and appraise the merits and demerits of this novel in general terms. This is perhaps what makes this novel different from others.

Kunlun, as depicted by the author, is a desolate place which is sparsely populated and which is always in the middle of a snowstorm. Braving the harsh conditions, fighters who are charged with the important task of defending the motherland withstand all trials and tribulations and steel themselves here. Their spirit becomes more sublime and mature. This maturity is mainly manifested in their recognition of their own value and enthusiasm in pursuing their ideas. It is with the same kind of enthusiasm that the author explores the spiritual world of these people and retraces their spiritual journey. This is precisely what makes his novel so appealing.

Military surgeons of the older generation, such as Wu Yingming, who have dedicated the better part of their lives to serving Kunlun, are still trekking the snow-covered land amid snowstorms, although they are already grey at the temples. Wu Yingming savors the imposing grandeur of grim Kunlun and the inspiring force contained in the arduous cause with all his heart and all his feelings. Thus, it is perhaps more appropriate to say that he is someone who strives to be a real person and a real communist rather than just a military surgeon who tries to perform his tasks well. When the drivers and medical orderlies of the younger generation only see the grim reality of ice-bound Kunlun and are preoccupied with personal gains and losses, they have no way of seeing the imposing grandeur of Kunlun, or to understand the purpose of life for that matter. They can only live on in degradation without any purpose, and lament before the lofty and imposing cause. However, when they boldly brace against harsh nature, steel themselves, and preserve their integrity as fighters and worthy persons with

indomitable will and full fervor, they accomplish feats they never even dreamed of. The author does not conceal the harshness of the ice-bound world. Neither does he hide the complicated emotional ups and downs of ordinary fighters. Instead, he concentrates on analyzing their pursuit of ideals and their recognition of their own worth as they gradually became sobered up after steeling themselves. It is in this way that he truthfully portrays the uncommon souls of the common people and gives them soul-stirring strength. Whether it is the fervent but aloof driver Xiang Xihang, or the boorish and rash driver Huang Sha, or the timid but self-important nurse Bao Qiqi, their weaknesses are evident. But as they brave the snowstorm, trek through the ice-bound land in the harsh environment of Kunlun Shan, and struggle on the verge of death, they begin to think of the meaning of life, steel their souls, cherish a warm love for their cause, and go in pursuit of their ideals. In the end, they are able to cast away impractical illusions and petty calculations, and grow up to be fighters with beautiful souls and purity of character. For example, Xiang Xihang is able to stand erect despite his serious injuries, and Huang Sha lays down his life but not his aspirations. Their love lives may lack tenderness and intimacy. To them, love means the pursuit of common ideals and a common cause. It is the merging of two great souls, and is richer than love between man and woman. Bao Qiqi puts it well: "I love him not just for what he is. I think that life on Kunlun Shan is so intense, so full." It is precisely the merging of cause and love that changes this timid Shanghai girl into a strong and brave girl who is able to walk tall.

We may have all kinds of novels to satisfy the diverse aesthetic needs of the masses. However, novels that portray contemporary feelings, that enthusiastically explore the arduous course traversed by people of our age in their pursuit of their cause, their ideals, and magnanimous love, that strike the strongest chords of the times, inspire people, and enkindle their hearts are perhaps needed much more by people living in our age.

We cannot say that Li Binkui's latest novel is unassailable. At least some of the repetitive discussions on armymen's obligations and fighters' missions could have been cut down. The portrayal of certain characters is too sweeping. This shows that the author is not quite up to his task in his first attempt at writing a full-length novel. However, it is commendable for him to concentrate his attention on changes in the spiritual world of those fighting in harsh natural environments and to do his best to capture the fire in the hearts of ordinary men and women, and in so doing to have moved the hearts of vast numbers of readers. It is certainly not excessive praise to say that the author "has made a skillful opening move."

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REVIEWING 'EXPLORING THE ROAD OF ECONOMIC CONSTRUCTION'

Beijing RED FLAG in Chinese No 14, 16 Jul 85 inside back cover

[Book review by Wei Yunhe [7614 0336 0735]]

[Text] "Exploring the Road of Economic Construction," a new work by Ma Hong [7456 3163], has recently been published by Shanghai People's Publishing House. This book collects together articles and notes written by the author in recent years, many of them being published for the first time. This work is guided by Marxist economic theory and inquires deeply into questions such as the road of socialist modernization and its prospects, development strategy, progress in achieving strategic goals, reform of the economic system, and so on. The following points leave deep impressions:

1. The book pays attention to the characteristics of China. There is no fixed model for socialist modernization. Each country must proceed from its own national conditions. However, what are the national conditions of our country? The question of how we are going to build socialism with Chinese characteristics in accordance with China's national conditions needs exploration and answers linking up theory and practice. This book makes efforts in this direction. For example, when discussing the selection of a road of development for the productive forces, the author compares several strategic plans. He believes that in facing the new technological revolution in the world at present, the strategy of "copying" the roads others have taken is not really a strategy which can be used for "catching up and overtaking." He also sees the "closed" strategy, in which the country closes itself off to international intercourse as not being worthwhile. He believes that in accordance with national conditions, we must adopt the strategy of "blazing new trails," making use of the present beneficial opportunities and conditions to directly utilize all those new scientific and technical results in the world that we have the conditions to utilize. This strategic idea manifests the characteristics of China. This book engages in useful exploration in regard to building a socialist economic system with Chinese characteristics and puts forward many valuable ideas.

2. It engages in comprehensive research involving many disciplines. The socialist economy is a large complex system which involves social science problems and problems in the natural sciences, in engineering, and in technology. This requires that comprehensive research involving many disciplines

in the social and natural sciences be undertaken. Whether in discussing our nation's economic development strategies or in studying the planning of economic regions, this book always strongly stresses the establishment of a series of economic, social, scientific, and technical goals. It pays attention to comprehensive research involving development strategies in the economic, social, scientific, and technical fields. In accordance with the general goals of social development for the end of this century set by the 12th party congress, this book draws up an overall system of goals for the economy, society, science and technology, culture, and the environment. It also reflects the qualitative and quantitative targets which these goals will demand, and notes that these goals will also involve targets in terms of the economy, society, science and technology, the environment, people's livelihood, and spiritual culture. This is of great reference value to departments involved in economic work.

3. The book is geared toward the world. The development of science and technology and the commodity economy has long since extended beyond national boundaries. Thus, in studying China's economy, we must broaden our field of vision and examine the Chinese economy within the scope of the world economy. This book is particularly noteworthy in this respect. The author notes that modernization is an historic, advanced, international concept and that at present the common grounds of development recognized internationally are: advanced technology, high labor productivity, widely available education, a high cultural standard among the people, strong national economic power, and a high standard of living for the people. In its analysis of our national conditions, the book proposes specific methods which will reduce the disparity between ourselves and others in these respects. The author also provides a very convincing analysis of the state of the new technological revolution in the world, the development of the world economy, the influence of these factors on China's economy, and the possibility of China further expanding international economic intercourse.

This book also has some shortcomings. For example, some articles are quite insubstantial. The methods proposed in others do not accord with the current situation, as there have been developments in the situation and a deepening of cognition. Of course, the defects cannot obscure the good points and, in general, it is a noteworthy and enlightening book.

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